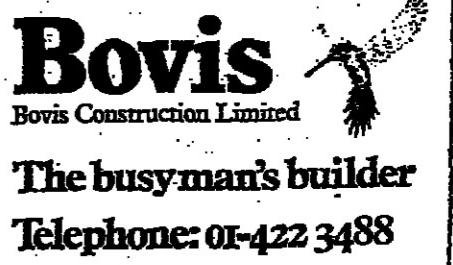


FINANCIAL TIMES

No. 27,576

Monday June 5 1978

15p



1 NEWS SUMMARY

GENERAL

BUSINESS

Safe Labour seats in Europe

Labour could win as many as six of the eight European parliamentary seats in Scotland when direct elections are held next year.

The Boundary Commission's proposals for Scottish constituencies were published yesterday.

Four European constituencies in the central industrial belt of Scotland, where more than half of the electorate lives, are almost certainly safe Labour seats. Back Page

Gen. Zia wins

General Zia Rahman won an overwhelming victory in the Bangladeshi general election. The rival Democratic Unity Party has alleged rigging and says it will not accept the result. Page 2

West Bank debate

Israel yesterday celebrated the 11th anniversary of its capture of East Jerusalem from Jordan, while the Government debated the future of the occupied West Bank territories. In London, Mr. Ron Hayward, Labour Party general secretary, warned that Israel will not live in peace by invading neighbouring territories. Back Page

Express warning

Mr. Victor Matthews says he can afford to close the Daily Express "and might well do so if there was any major dispute with the print unions." Page 7

Bengali plea

Flats in London may be set aside exclusively for Bengali immigrants. The Greater London Council is to consider a request by 130 Bengali squatters to be housed together. They say they would feel safer from attack. Back Page

Thorpe interview

Investigation of the alleged plot to kill ex-male model Mr. Norman Scott is believed to be nearly over. Mr. Thomas Hetherington, Director of Public Prosecutions, is to study the result of a police interview with Mr. Jeremy Thorpe, former Liberal leader.

Drug test

A drug test on the Scotland World Cup winger Willie Johnston has proved positive. If a second test today proves positive he will be banned from the rest of Scotland's games.

Real ailment

A Bristol barmaid may be Britain's first victim of a new ailment—Real Ale Shoulder. Her doctor said she was suffering from chronic strain of the shoulder fibres since her pub had gone over to real ale.

17 killed

Rhodesian security forces have killed 12 guerrillas and five "collaborators" for the loss of one white policeman, according to a defence communiqué released in Salisbury last night.

Briefly . . .

Lots cars finished first and second in the Spanish Grand Prix. Mario Andretti was the winner, closely followed by Ronnie Peterson. Jacques Laffite in Ligier was third.

Weekly £500 Premium Bond prize went to Essex holder of S.Y.S. 038087.

Captain Krystyna Chojnowska-Liskiewicz, the first woman to sail around the world single-handed, arrived in Plymouth yesterday.

China has slashed economic aid to Vietnam in retaliation for alleged expatriation of Chinese living in Vietnam.

An earthquake registering 5.5 on the Richter scale hit Vancouver Island yesterday. There were no reports of damage. Page 26

CONTENTS OF TODAY'S ISSUE

Overseas news	2	Arts page	15
World trade news	3	Letter page	16
Home news—general	4, 6	UK companies	26
—labour	7	International companies	29
Technical page	10	Foreign Exchanges	36
Management page	13	Mining Notebook	26

FEATURES

Govt. and the Commons	8	Lambeth	24	Bank Lending Rates	27
clash over the official	9	Mps and Ministers	24	ANNUAL STATEMENTS	28
audit	16	Parliament Clery	24	Emmer and Lamb	26
Trade unions merger: ...	25	FT SURVEYS	17-24	Today's Events	25
Week in the courts	14	International property	24	TV and Radio	24
FT SURVEYS	25	Word processing	31-35	Lic. Registratn	24
International property	17-24	PROSPECTUS	24	SKF Sweden	24
Trade unions merger: ...	25	Alcan (UK)	24	PROSPECTUS	24

For latest Share Index 'phone 01-246 8026

Ford workers to press for 25% and shorter hours

BY ALAN PIKE, LABOUR CORRESPONDENT

The Government was given an important pointer to possible pay problems in the next round when Ford shop stewards decided yesterday to press for minimum increases of £20 per week, equivalent to rises of 25 per cent.

At the same time, two senior TUC leaders demanded urgent action by the trade union on low pay by setting a side of the company's national minimum wage and moves joint negotiating committee. However, the demands of the manual workers.

The Ford pay targets, which emerged from yesterday's meeting in Coventry of 200 shop stewards representing 57,000 hourly-paid employees, are much more ambitious than the "socially responsible" 15 per cent wage claim the unions presented to Ford last year.

A £20 increase would represent a rise of about 25 per cent for the main grade of production worker. In addition the shop stewards want other costly improvements, including a five-hour cut in the working week, improved holiday and sick pay and better job arrangements.

Ford pay negotiations are always important politically because of their pace-setting position at the beginning of the wage round.

Last year, when Ford settled for 12 per cent, the Government was faced with the first really crucial test of how rigidly it was going to implement its 10 per cent guidelines and sanctions policy.

This year the negotiations, which are normally concluded in October, could be taking place during an election campaign.

The actual Ford claim is London. NUPE suggested £60 compares with the present minimum of £24.40 for local authority towards a shorter working week.

A number of influential union leaders are increasingly urging policies to combat low pay and reduce the working week as priorities for the trade union movement.

A banker and industrialist,

Mr. David Barnet, chairman of the TUC and general secretary of the Workers' Union, echoed Mr.

Mr. Barnet, chairman of the Crown Agents as well as of the Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

A banker and industrialist,

Mr. John Cuckney, knighted in Saturday's Honours List, is expected to become chairman of Thomas Cook Group, the travel business wholly owned by Midland Bank.

Sir John, chairman of the

Crown Agents as well as of the

Port of London Authority, was chosen as a director of the Midland Bank at a Board meeting on Friday, although this has not been announced.

WORLD TRADE NEWS

Iran ordnance deal will bring UK £400m orders

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

BRITAIN'S MECHANICAL engineer industry will collect this will involve MTS finding an F-16 fighter.

orders worth around \$400m over oil company willing to buy quantities of Iranian off over and the next year for plant and machinery for the Isfahan above its normal requirements.

The funds Iran obtains from the machinery complex in Iran.

Some industry sources suggest that the complex will require at least \$100m of machine tools alone from the UK.

Discussions about the deal have been going on for about three years but the way was cleared for a final go-ahead with the signing of a protocol agreement in Tehran on May 10.

Now UK industrialists expect Milkun Technical Services, the contractual arm of the Ministry of Defence, to start placing contracts possibly within weeks and certainly in only a few months' time.

The complex will turn out a wide range of ammunition as well as spare parts (such as gun barrels) for Iran's Chieftain tanks. An informed estimate of the cost put it at around \$770m.

Completion will probably take three to three and a half years. The UK will also benefit from the civil engineering contracts to be placed as the Wimpey-Laing consortium seems likely to get the lion's share of that business.

One of the major reasons for the delay in the project—it had gone ahead as originally planned it would have coincided with the depths of the recession in the UK mechanical engineering industry.

It was the question of payment. The other order has been placed by Afghan Seeds Com-

Afghan tractors sale

BY OUR INDUSTRIAL STAFF

FARM MACHINERY worth nearly £3m is being supplied to Afghanistan by Massey Ferguson, mainly from UK plants, under two contracts which the group says were won in the face of intense international competition from virtually all other major manufacturers.

The first order for tractors and funded by the Asian Development Bank will provide equipment for four farms which the seeds company operates in the Kandahar area.

Apart from one other M-F plant supplied last year, these are believed to be the first combines made in a Western country to be sold to Afghanistan for at least ten years.

On both contracts M-F will provide the Afghan authorities with a substantial programme of training support in the management, operation and maintenance of the equipment.

The equipment will be offered by the Bank with credit arrangements for purchase by individual farmers.

The other order has been placed by Afghan Seeds Com-

Canadian rail cars contract**Firmer rates maintained**

BY LYNTON MCALPIN

A SMALL reduction in the days 20 vessels had been proposed by owners anxious about the future trading from other sectors.

There was no evidence of new VLCC business last week, but brokers hoped that resolution of the proposed Japanese storage scheme would come by the middle of June. Up to 10 VLCCs would be taken off the market for use as storage and a further five could join them in September. This should aid market conditions towards the last quarter of the year.

Very large crude carrier fixing was confined to period employment in contrast to the previous week. One US oil company called for large tankers for one, two and three year-time charter totalling more than \$4m. The biggest, worth \$3m, is from the Ontario Ministry of Transportation and Communications for building a four-lane seven-mile extension of the Don Valley parkway north of Toronto.

The order was prompted at the end of the previous week. Within

Contracts

Nigeria Engineering has won a Riyah, 176 km, contract to build an 88-mile pipeline in Saudi Arabia by the end of next year capable of carrying 300,000 barrels of oil a day. The work, due to be completed by April, will be carried out by Hawker Siddeley Canada. The other 200 are for North American Car Canada Delivery. A scheduled later this year.

Meanwhile, the Toronto office of George Wimpey Canada has been awarded four contracts totalling more than \$4m. The biggest, worth \$3m, is from the Ontario Ministry of Transportation and Communications for building a four-lane seven-mile extension of the Don Valley parkway north of Toronto.

The order was prompted at the end of the previous week. Within

more details, the contractor said the order will be completed by the end of the year.

He can't say no. Call him: 2193400.



He can't say no. Call him: 2193400.

He is Giovanni Caronza, Mr. Convention at our Brussels-Sheraton Hotel. He can easily handle 210-1200 people at a meeting, up to 800 at any kind of an eating affair. Or at a ball—he has the biggest ballroom in Brussels.

And after the ball is over, the chances are small that you'll have to move the guests to other hotels. He has hundreds

People make hotels.

S
Brussels-Sheraton Hotel
PLACERGIER 3 - B 1000 BRUSSELS - TEL. 2193400 - TELEX 26887

Renault may double capacity in Turkey

BY TERRY DODSWORTH

RENAULT, THE French motor group, is considering plans to double its foreign production to overcome Turkey's foreign currency shortages.

Site work on the complex began as long ago as 1975 and is normal practice in Iran for such work to start before contracts were finalised.

The Turkish concern, Oyak-Renault, in which the French company has a 44 per cent stake, would like to develop on its base of its present R18 production into manufacturing the new R18 in two to three years time.

A detailed programme has been worked out with a view to putting this to the Turkish Government, which controls the industry through licensing agreements, towards the end of this year.

But before taking this step, Renault will almost certainly press for Turkish commitments to cut supplies of engineering products, especially among them Massey-Ferguson tractors of Britain, but the hope is that exports can be built up to compensate for the outward drain on funds.

The motor industry will clearly be asked to help in this makes the future for investments in the country uncertain, while putting a damper on any plans for development likely to suck in more imports.

On both counts the Renault project will cause difficulties. Renault has to have some assurance that it will be paid for its services and parts exports, while any development is bound to demand the import of more foreign machinery.

So far, however, Oyak-Renault has managed to overcome the crisis by keeping its plants working at almost full capacity of about 180 cars a day. It has managed to do this by arranging

Chinese mission shows keen interest in British industry

BY COLINA MACDOUGALL

FOLLOWING THE success of the British steel industry in gaining contracts to overcome Turkey's foreign currency shortages.

By contrast, Fiat, its major competitor, which has a joint company with the Koc Group, has cut output from 160 units a day to about 80. This reduction has come partly because Fiat

which has also arranged earlier deals with its present R18 production into maintaining output in its truck operations in the country.

There is no doubt that the Turkish Government would like to expand output in the country if it can find some way of bearing the strain on its balance of payments.

These difficulties have caused a number of companies to cut supplies of engineering products, especially among them Massey-Ferguson tractors of Britain, but the hope is that exports can be built up to compensate for the outward drain on funds.

The motor industry will clearly be asked to help in this makes the future for investments in the country uncertain, while putting a damper on any plans for development likely to suck in more imports.

On both counts the Renault project will cause difficulties. Renault has to have some assurance that it will be paid for its services and parts exports, while any development is bound to demand the import of more foreign machinery.

So far, however, Oyak-Renault has managed to overcome the crisis by keeping its plants working at almost full capacity of about 180 cars a day. It has managed to do this by arranging

● Creusot-Loire company Wean-Damiron won a contract worth over FF 100m from the Soviet Metalurgizport for the supply of metal sheet production lines which should be in service by 1980.

World Economic Indicators

	RETAIL PRICES			% Change over earlier	Index
U.K.	Apr. '78	Mar. '78	Feb. '78	Apr. '77	year
Holland	194.6	191.8	190.6	180.3	7.9
Italy	119.8	119.0	118.0	115.2	1.6
Belgium	129.9	128.5	125.9	117.4	12.2
W. Germany	126.8	126.7	125.38	120.5	5.2
France	145.0	144.5	144.0	141.5	2.4
U.S.	195.5	193.4	191.7	177.1	9.0
	191.5	189.2	188.4	187.2	0.9
					1967=100

● Creusot-Loire company Wean-Damiron won a contract worth over FF 100m from the Soviet Metalurgizport for the supply of metal sheet production lines which should be in service by 1980.

PRESSURE FOR forming two among those attempting to tie up separate cartels in the bulk shipping markets will be the main item for behind-the-scenes discussion among ship owners at tonnes of tanker shipping is

under Mr. Antony Chandris, president of the Union of Greek Ship Owners.

This pressure is particularly relevant to the main IMI Board. The Chinese are thought to be particularly interested in titanium processing work.

Of the two, the oil tanker Sten Scandinavians have already agreed to push freight rates beyond their present loss-making levels.

Scandinavians are the closest to having signed by the biggest Japanese owners, Sankai and Japan Line.

This leaves only one critical gap—the Greeks, whose reaction remains unknown.

A second cartel scheme for dry bulk trades known as Inter-

Exhibition here.

Of the two, the oil tanker Sten Scandinavians have already agreed to push freight rates beyond their present loss-making levels.

Scandinavians are the closest to having signed by the biggest Japanese owners, Sankai and Japan Line.

This leaves only one critical gap—the Greeks, whose reaction remains unknown.

A second cartel scheme for dry bulk trades known as Inter-

Exhibition here.

Of the two, the oil tanker Sten Scandinavians have already agreed to push freight rates beyond their present loss-making levels.

Scandinavians are the closest to having signed by the biggest Japanese owners, Sankai and Japan Line.

This leaves only one critical gap—the Greeks, whose reaction remains unknown.

A second cartel scheme for dry bulk trades known as Inter-

Exhibition here.

Of the two, the oil tanker Sten Scandinavians have already agreed to push freight rates beyond their present loss-making levels.

Scandinavians are the closest to having signed by the biggest Japanese owners, Sankai and Japan Line.

This leaves only one critical gap—the Greeks, whose reaction remains unknown.

A second cartel scheme for dry bulk trades known as Inter-

Exhibition here.

Of the two, the oil tanker Sten Scandinavians have already agreed to push freight rates beyond their present loss-making levels.

Scandinavians are the closest to having signed by the biggest Japanese owners, Sankai and Japan Line.

This leaves only one critical gap—the Greeks, whose reaction remains unknown.

A second cartel scheme for dry bulk trades known as Inter-

Exhibition here.

Of the two, the oil tanker Sten Scandinavians have already agreed to push freight rates beyond their present loss-making levels.

Scandinavians are the closest to having signed by the biggest Japanese owners, Sankai and Japan Line.

This leaves only one critical gap—the Greeks, whose reaction remains unknown.

A second cartel scheme for dry bulk trades known as Inter-

Exhibition here.

Of the two, the oil tanker Sten Scandinavians have already agreed to push freight rates beyond their present loss-making levels.

Scandinavians are the closest to having signed by the biggest Japanese owners, Sankai and Japan Line.

This leaves only one critical gap—the Greeks, whose reaction remains unknown.

A second cartel scheme for dry bulk trades known as Inter-

Exhibition here.

Of the two, the oil tanker Sten Scandinavians have already agreed to push freight rates beyond their present loss-making levels.

Scandinavians are the closest to having signed by the biggest Japanese owners, Sankai and Japan Line.

This leaves only one critical gap—the Greeks, whose reaction remains unknown.

A second cartel scheme for dry bulk trades known as Inter-

Exhibition here.

Of the two, the oil tanker Sten Scandinavians have already agreed to push freight rates beyond their present loss-making levels.

Scandinavians are the closest to having signed by the biggest Japanese owners, Sankai and Japan Line.

This leaves only one critical gap—the Greeks, whose reaction remains unknown.

A second cartel scheme for dry bulk trades known as Inter-

Exhibition here.

Of the two, the oil tanker Sten Scandinavians have already agreed to push freight rates beyond their present loss-making levels.

Scandinavians are the closest to having signed by the biggest Japanese owners, Sankai and Japan Line.

This leaves only one critical gap—the Greeks, whose reaction remains unknown.

A second cartel scheme for dry bulk trades known as Inter-

Exhibition here.

Of the two, the oil tanker Sten Scandinavians have already agreed to push freight rates beyond their present loss-making levels.

Scandinavians are the closest to having signed by the biggest Japanese owners, Sankai and Japan Line.

This leaves only one critical gap—the Greeks, whose reaction remains unknown.

A second cartel scheme for dry bulk trades known as Inter-

Exhibition here.

Of the two, the oil tanker Sten Scandinavians have already agreed to push freight rates beyond their present loss-making levels.

Scandinavians are the closest to having signed by the biggest Japanese owners, Sankai and Japan Line.

This leaves only one critical gap—the Greeks, whose reaction remains unknown.

HOME NEWS

**State aid
vital
for saving
tin mines'**

By Paul Cheeseright

REGIONAL DEVELOPMENT grants for mining must be restored by the Government if the UK industry is to survive, according to the Cornish Chamber of Mines.

Mr. K. A. Gilbert, the chairman, told the chamber's annual meeting in Camborne that Government aid was necessary not only for exploration but also for surface treatment plants.

His remarks follow the recent closure of the Mount Wellington tin mine, owned by Cornwall Tin and Mining, and by the placing on a care-and-maintenance basis of Wheal Jane, the Consolidated Gold Fields operation.

Regional development grants were withdrawn from April last year and since then it has been necessary for the mining companies to seek finance elsewhere. Costs have been increasing, however.

Concern

"The day is gone when for a fairly modest investment, a mining company could expect to make a reasonable profit," said Mr. Gilbert.

His particular concern was the need for the industry to come to terms with the realities of low-grade and complex ores. More effort should be put into metallurgical research.

Grants were essential for surface treatment plants which "will need to be more complicated and costly."

Mr. Gilbert said that the price of tin was below economic levels for some of the local producers. The chamber's annual report states that a floor price of a tonne is needed.

Internal rows delay formation of Britel

BY JOHN LLOYD

THE formation of Britel, a joint British consultancy group aimed at improving the flagging performance of the UK telecommunications industry, is to be delayed because of divisions among participants of clients to be simply a marketing locations.

Mr. K. A. Gilbert, the chairman, told the chamber's annual meeting in Camborne that Government aid was necessary not only for exploration but also for surface treatment plants.

Discussions on Britel have been going on for more than a year between the National Economic Development Office, and the Post Office, Cable and Wireless and International Aeradio.

In a NEDO report published last year, Sir Raymond Brown was in favour of a consultancy composed of the three organisations which would be free to concern itself with the marketing of System X.

The conditions members of the Britel project agreed on the need for a common marketing organisation for System X. The problem arises over the degree to which Cable and Wireless and Aeradio will be required to sink their individual identities into the new project.

While both in effect are State-owned—Cable and Wireless was nationalised in 1947, and Aeradio's majority shareholder is British Airways—they are strongly independent and increasingly compete with each other.

The Post Office and NEDO are keen that Cable and Aeradio pool expertise to a substantial extent and that Britel takes on the functions both of a consultant and of project management.

Upgraded

The have built up their business market on the basis of recommending and installing the systems they judge to be best suited for production contract. Since the UK does not offer a fully electronic system, the companies increasingly have tended to choose systems offered by foreign manufacturers.

In addition, Cable recently has upgraded its project management division and is moving into areas such as the provision of airports and hotels—in which necessary step if there is to be effective marketing overseas.

Besides fears that their areas of operations will be eroded, have not been announced.

Project management entails Cable and Aeradio have been working closely with a manufacturer once the contract has been awarded. Cable and broken up between GEC, Plessey and Standard Telephones.

It will be broken up between GEC, Plessey and Standard Telephones.

Aeradio feel that if Britel took

and Standard Telephones

divisions among participants of clients to be simply a marketing locations.

While the manufacturing

companies remain distinct enti-

ties, it is felt that the sys-

tem might have to be priced at an uncompetitively high level,

especially since it will be com-

peting with foreign systems

which have been in produc-

tion for some years.

There is further disquiet over

the future role of Standard

Telephones, a subsidiary of ITT,

which manufactures an elec-

tronic system, the Metaconta, in

Europe. Metaconta and System X

will be in direct competition.

It is thought that a merger at

least of the UK-owned tele-

communications divisions is a

necessary step if there is to be

effective marketing overseas.

However, moves in this direction

are being resisted by the

executive committee.

Joint negotiating committees

are planned under which the

executive committee will talk

directly with unions on pay and

conditions and consider related

bonus or parity payments for the

bus companies' staffs.

Tyne link by National Bus offshoots

By Paul Taylor, Industrial Staff

TWO National Bus Company subsidiaries plan to join Tyne and Wear passenger transport executive in a partnership to run Tyneside's bus and metro services.

Under the scheme outlined in a joint policy statement by Tyne and Wear County Council, Northern General Transport, United Automobile Services and the executive services will be run on a corporate basis but individual operators will retain control of their own assets.

Agreement in principle has been reached in anticipation of the planned opening of the first stage of the metro in summer of 1979. Present co-ordinating plans have had to be abandoned because of opposition from National Bus and the unions to a pooling of assets.

However, it is hoped that the executive committee will be able to integrate bus and metro services without initially at least, pooling these assets.

Joint negotiating committees are planned under which the executive committee will talk directly with unions on pay and conditions and consider related bonus or parity payments for the bus companies' staffs.

Safeguards on prices 'badly constructed'

BY ELINOR GOODMAN, CONSUMER-AFFAIRS CORRESPONDENT

THE PRICE Commission is believed to have told the Department of Prices that the safeguard clause means it is a waste of time investigating many inefficient companies which are making less than 3 per cent to begin with.

Although the commission is not opposed to numeric safeguards on principle, it agreed to introduce last summer, after an outcry from the Confederation of British Industry.

The commission has taken the view that it is not its job to decide whether or not safeguards are a good thing per se although some members undoubtedly would prefer a more discretionary system of safeguards.

The commission has pointed out that, with the end of margin control this summer, companies will not have the necessary figures for calculating their

entitlements unless they keep a separate set of accounts particularly for that purpose.

This is because some of the units used for profit margin control.

Mr. Hattersley always has been

thought to have named names in relation to the nationalised industries.

It also has criticised those safeguards which relate to a company's past profit performance.

Mr. Roy Hattersley, Prices Secretary, has said that he is reviewing the safeguard provisions which have been criticised by some Labour MPs on the grounds that they make a mockery of the controls.

The Minister has not made a decision on whether to change them but time is running short because the obvious time to do this would be when margin controls expire at the end of July and certain other consequential changes will have to be made to the existing orders.

He has indicated that he would make his decision partly on the basis of advice from the commission which has the job of administering controls.

'Waste of time'

The commission apparently has confined itself largely to technical criticisms of the safeguards.

The comments may not be strong enough to give Mr. Hattersley evidence he would need to push through Parliament any major tightening up of the provisions.

To do this he would probably have preferred explicit instances of how the commission's work had been impeded by the safeguards.

The most fundamental criticism made by the commission concerns the clause which prevents it restricting a company's prices if doing so would

Varley attacks Tory State industry plan

A FRESH attack on plans outlined in a Tory report to a study group, chaired by right-winger Mr. Nicholas Ridley, MP for Cirencester and Tewkesbury, was yesterday by Mr. Eric Varley, Industry Secretary.

He told delegates representing 123,000 Post Office workers that State industry employees would be regarded as easy meat for a fight.

Mr. Varley was speaking at the opening session of the annual Conference of the Post Office Engineering Union at Blackpool.

The clear message to Mr. Hattersley is that the present provisions are clumsy to administer.

Water charge payment by instalments urged

BY LYNTON MCALPIN

LEGISLATION TO force Britain's water authorities to accept payment by instalment to ease the burden of charges, should be introduced as soon as possible, the payment of local authority rates.

The chairmen of the water authorities have already given an investigation into a rebate scheme linked with the rebates given against local authority rates whenever that may be required, but so far the Government has not requested such a move.

IN BRIEF

ClydeDock Engineering may buy Greek yard

ClydeDock Engineering, the ship-repairing company formed last year, is interested in buying the Neorion Shipyards on the island of Syros.

Mr. Rankin Durnin, the company's financial director, has visited the yards, which closed down in March, but negotiations are still at a very early stage.

ClydeDock Engineering, which was founded by Mr. R. E. Butler with £1m capital, has the backing of a group of Scottish businessmen and the Scottish Development Agency, which announced a £100,000 investment in the company in April last year. The company operates from the former yard of Alexander Stephen (Shiprepairs) at Govan.

The Neorion Shipyards were operated by the N. J. Goulandris group, which closed the yards and laid off about 1,200 workers after a series of strikes compounded financial difficulties caused by over-capacity in the industry.

According to the Greek magazine Naftiliaki International, the yard represented an investment of £11m-£13.7m, (\$20m-25m) when it closed but had credits of £9.9m (£18m) from the National Bank of Greece and £5.8m (£10.5m) from the Development Bank of Greece.

The finest quality diamonds for investment, gifts, or your own personal use, direct from the diamond centre of the world.

Contact us for full information, or visit us. Our showrooms are at London's Savoy Hotel and at the Diamond Centre of the world.

International Diamond Sales, LONDON SALONS: The Savoy Hotel, The Strand, London WC2R 0BP, Tel 01-836 4545.

HONG KONG: Diamond Bourse, 51 Hoveniersstraat, Antwerp, Belgium, Tel 031-319 05, Telex 35595-INDISA-B.

(All Diamonds Guaranteed By Certificate) IDS



Put your trust in a diamond

Invest in the beauty of nature, with diamonds and diamond jewellery at exceptionally good prices from the world's leading first source diamond company.

The finest quality diamonds for investment, gifts, or your own personal use, direct from the diamond centre of the world.

Contact us for full information, or visit us. Our showrooms are at London's Savoy Hotel and at the Diamond Centre of the world.

International Diamond Sales.

LONDON SALONS:

The Savoy Hotel, The Strand, London WC2R 0BP.

Tel 01-836 4545.

HONG KONG:

Diamond Bourse, 51 Hoveniersstraat, Antwerp, Belgium, Tel 031-319 05, Telex 35595-INDISA-B.

(All Diamonds Guaranteed By Certificate) IDS

We, the Limbless, Look to You for Help

We come from both world wars. Aden, Cyprus... and from other countries keeping the forces to assist them from our limbless bodies.

You can help by joining our Association, BLESMA (British Limbless Ex-Servicemen's Association) looks after the limbless from all the Services.

It helps with advice and encouragement to overcome the social, financial and legal aspects of life.

It stands in the way of the entitlement to pension. And for severely handicapped and the elderly, it provides Residential Homes where they can live in peace and dignity.

Help BLESMA, please. We need money desperately. And we promise you, not a penny of it will be wasted.

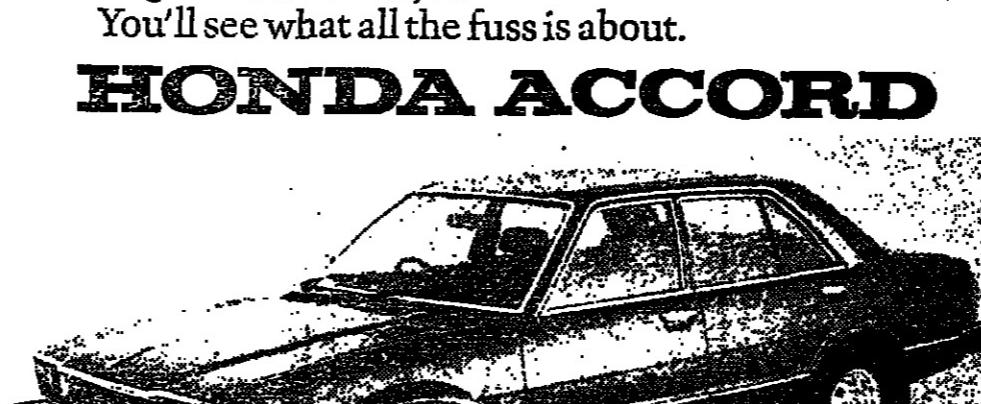
engine specification and high degree of finish will make you wonder how we do it for the price).

The Honda Accord.

It's not just a car with an amazing specification. It's an amazing car to drive. Try it.

You'll see what all the fuss is about.

HONDA ACCORD



Honda. Another word for Quality.

The Honda Accord 3-Door hatchback. Rated as one of the ten best cars in the world by Road and Track.

One hundred points ahead of other Japanese cars in the European 'Car of the Year' Award—and voted top by Autocar and the Observer. Winner of its class in the '77 Total Economy run. A great car. Now we've given it a boot, 15.97 cubic feet of it. And four doors. And even more refinements to the incredibly long list of extras built-in standard.

The clock, for example, is digital. The Radio is FM and AM. The heating and ventilation system is also ducted to the front doors for side-window de-misting, and to the rear seat area for extra passenger comfort. The boot can be unlocked from the driver's position. And so on.

Any other car would be called a Ghia, a De-Luxe or a GLS with the Honda Accord's list of built-in extras. But we believe in quality and so 'de-luxe' is the standard.

We also believe in precision engineering (the

Honda Accord 3-Door hatchback. Rated as one of the ten best cars in the world by Road and Track.

One hundred points ahead of other Japanese cars in the European 'Car of the Year' Award—and voted top by Autocar and the Observer.

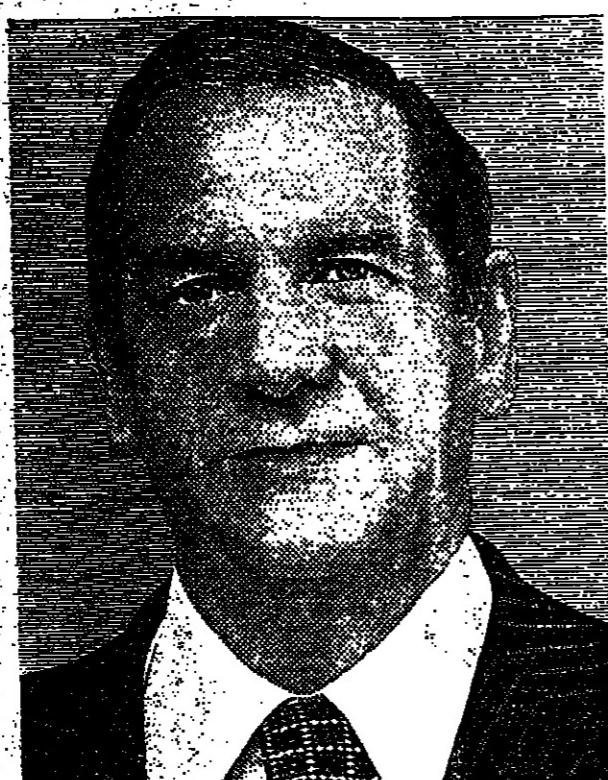
Winner of its class in the '77 Total Economy run.

A great car. Now we've given it a boot, 15.97 cubic feet of it. And four doors. And even more refinements to the incredibly long list of extras built-in standard.

The clock, for example, is digital. The Radio is FM and AM. The heating and ventilation system is also ducted to the front doors for side-window de-misting, and to the rear seat area for extra passenger comfort.

The boot can be unlocked from the driver's position.

"There was never any question of us opening anywhere else in Britain. It had to be Scotland."



Adam Thomson, Chairman, The Caledonian Airways Group.

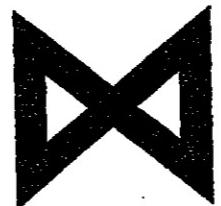
"We chose Prestwick for our new Aircraft Engine Overhaul and Test Plant because it provides all the facilities needed for cost effective operation. With the area's history of aviation work, there's a ready pool of labour capable of tackling such specialist engineering.

S.D.A. involvement enabled us to embark on this exciting development and afforded The Caledonian Airways Group, parent company of B. Cal., the opportunity to help support the Scottish economy".

The Caledonian Airways Group and the Scottish Development Agency have got off to a flying start at Prestwick. The opening of this new aero-engine plant will create up to 250 new jobs by the mid-80's. It's just one illustration of how the S.D.A. can provide financial assistance to aid the expansion of industry where growth potential exists.

The Scottish Development Agency has been formed to promote industrial and economic growth throughout Scotland. With a budget of up to £300 million, we can provide a variety of financial incentives and factory accommodation to help companies expand and spread their wings.

To find out more, contact James Gorie, our Director of Information, at the address below.

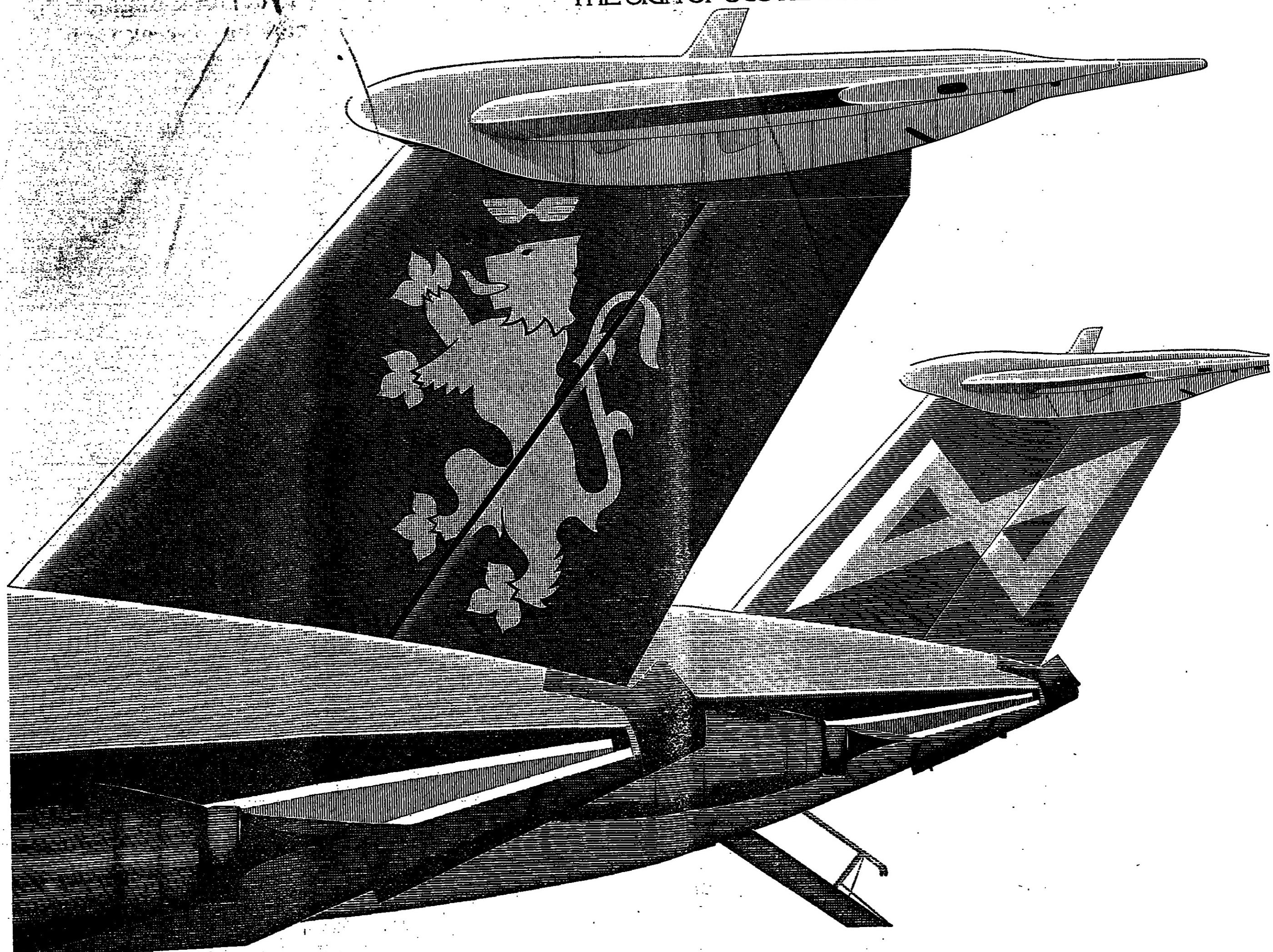


Scottish Development Agency

120 Bothwell Street, Glasgow G2 7JP.

Tel: 041-248 2700 Telex: 777600

THE SIGN OF SCOTLAND'S INDUSTRIAL GROWTH.



CJ P&L CALICO

HOME NEWS

COMPANY NOTICES

CIMENTS LAFARGE

7.6.1972/1987 FF 100,000,000

Notice is hereby given to bondholders of the above-mentioned loan that the amount redeemable on July 1, 1978, i.e. FF 3,000,000 was bought in the market.

Amount outstanding: FF 85,000,000

Luxembourg, June 5, 1978.

THE TRUSTEE,
FINIMTRUST S.A.

TENDERS FOR GREATER LONDON BILLS

KALGOORLIE, SOUTHERN GOLD MINES

(Unincorporated Material)

Registered Office: c/o Felt & Staker,

Melbourne, Vic. 3000.

NOTICE IS HEREBY GIVEN that an

Extraordinary General Meeting of the

Proprietors will be held at the Royal

Stock Exchange Meeting Room, 1st Floor,

No. 30-41, Mark Lane, London EC3R 5BB, on

the twenty-first day of June, 1978, at

10.30 a.m. for the purpose of considering and

voting on the following ordinary resolution:

"That the Company purchase the 50 per

cent interest of the Proprietors in Three Springs

Tak Properties Limited for a consideration

Dated the 28th day of May, 1978.

J. C. STACEY, Secretary.

The Bill will be in amounts of £5,000,

£10,000, £15,000, £20,000, £25,000 or

£29,000. They will be dated 1st June, 1978,

and will be due on 1st July, 1978.

3. East Tender must be for an amount

not less than £1,000,000, and will be given

for the amount allotted for.

4. The Bills will be issued and paid at the

Lawson Bankers, Discount House or Broker.

5. The Bills will be issued and paid at the

Bank of England on the 1st July, 1978.

6. Tenders must be obtained either from

the Bank of England or from the Council's

Official Receiver or the liquidator.

7. The Greater London Council reserve

the right of rejecting tenders.

F. STACEY, Director of Financial Services,

The City of London Corporation,

London SE1 7PB.

LONDON AND MANCHESTER
ASSURANCE COMPANY LIMITED

NOTICE IS HEREBY GIVEN that the

will be closed from 12 to 26 June 1978

both days inclusive.

Tenders must be lodged with the

Proprietors, Finsbury Square, Brothers &

Company by 4.00 p.m. on 30 June 1978.

By Order of the Directors.

S. J. COOPER, Secretary.

5 June 1978.

QUEBEC CENTRAL RAILWAY COMPANY

CAPITAL STOCK

In preparation for the payment of the

half-yearly dividend due on 15th June 1978

on the shares of the Company, the Board

will be closed on 30th June 1978.

W. E. REEVE,

50 Finance Street, London EC2A 1DD.

Assistant Secretary.

50 June 1978.

DIAMONDS FOR INVESTMENT

Diamond Selection Limited offer loose

and cut diamonds for investment.

Following is a cross section of prices

of stones from their range at first

April 1978.

Dollars Grade Price in £

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

1000 1000 1000 1000 1000 1000 1000

LABOUR NEWS

Building action to start June 25

By John Pike
Labour Correspondent

ACTION over the building industry's annual pay settlement will begin on June 25, the Transport and General Workers' Union said yesterday.

The action will be arranged

on a regional basis. Local

officials of the union have pre-

pared lists of construction pro-

jects which are likely to be

affected.

The dispute is over the value

of the national pay offer to more

than 750,000 building and civil

engineering workers. Employers

say it is worth almost 10 per

cent, but some union officials

say that it will have a much

lower value for many men.

Mr. George Henderson, the

union's national secretary, for

the industry, said yesterday that

employers' organisations had

made it perfectly clear that they

were standing absolutely firm on

the offer.

The present agreement expired

on June 25 and, with the post-

ponement and cancellation of

proposed meetings between the

parties, he had to give notice

that the union would begin

industrial action after that date.

The position is complicated by

the fact that the executive of

the biggest building union, the

Union of Construction, Allied

Trades and Technicians, has

accepted the offer and is telling

its members to ignore the trans-

port union action.

This position may be criticised

by some delegates at the con-

struction union's conference

which opens to-day in Dunoon.

Bootle strike deadlock move

FRESH EFFORTS will be made

this week to resolve an unofficial

strike by 400 construction

workers over a severance pay

agreement which is halting the

final stages of work on the multi-

storey Island Revenue office

block at Bootle, Merseyside.

Although no further meetings

have been arranged between the

contractor, McAlpine's, and the

unions, discussions are expected

between management representa-

tives and the Government's

Prison Services Agency.

The dispute came to a head

last week when talks on the pro-

posed redundancy of 11 man-

ners broke down.

The building is now

several years behind schedule and

its cost has risen from £30m to

£40m.

He said that while a lot of the

work has been done, there is still

some way to go.

Matthews warns unions

MR. VICTOR MATTHEWS says

people in Fleet Street could per-

haps not afford to express those

sort of views, his Trafalgar

group, with interests from

property to shipping, could

do so if there was any major

dispute with the print unions.

He added that if he had the

power to hire and fire, and did

not have the unions to contend

with, he would dismiss up to 40

per cent of his workforce.

His comments were made in

an interview for Anglia Televi-

sion yesterday.

He intended to go ahead with

his plans for new newspapers but

not until he had agreement with

the unions.

Civil Service unions may form closed shop alliance

BY PHILIP BASSETT, LABOUR STAFF

INDUSTRIAL and white-collar proposals for the introduction of a closed shop in the service closed shop offer than the from 522,000 workers in an Government's current proposals alliance cutting across traditional Civil Service white- and blue-collar boundaries.

The 97,000 industrial civil servants in the Transport and General Workers' Union, the biggest union representing the industrial grades of staff, will take over the direct approach on the closed shop to the Prime Minister now being considered by the three non-industrial unions.

The three non-industrial Civil Service unions pressing for a closed shop, the Civil and Public Services Association, the Civil Service Union and the Inland Revenue Staff Federation, have asked if they want backing by the three non-industrial unions.

The Government has offered both industrial and non-industrial civil servants a similar closed-shop offer. It has wide exemption provisions reminiscent of the Conservatives' agency shop proposals in the 1971 Industrial Relations Act.

The offer made to the non-industrial staff calls for a ballot for a full post-entry closed shop on the issue of all 400,000 basic grade civil servants, including

Clyde managers win 5 per cent. pay rise

BY OUR LABOUR CORRESPONDENT

THE ENGINEERS and Managers with TASS over recognition in the industry, says that in January for managers working at Yarrow Shipbuilders on the TASS's submission had provided "no real evidence on behalf of Clyde.

This is on top of a 10 per cent rise for all staff employees negotiated by TASS, the white-collar section of the Amalgamated Union of Engineering Workers.

The engineers association, which is engaged in a fight

TV unions to ballot on merger

BY OUR LABOUR CORRESPONDENT

A BALLOT on a merger between the Association of Cinematograph, Television and Allied Technicians and the Association of Broadcasting Staffs will open on July 1.

The ballot comes after lengthy amalgamation discussions between the unions. If members favour a merger, the organisations will become the Amalgamated Film and Broadcasting Union.

The Association of Scientific, Technical and Managerial Staffs said yesterday that the Pearl federation section of the insurance workers' union, which covers field staff managers in Pearl Assurance, had decided to merge with it. The association added that everyone except the most senior Pearl executives would be covered by its negotiations.

Chrysler talks

A MEETING to-day of 1,500 Chrysler car assembly men in Coventry will decide whether to accept a peace formula worked out in weekend talks. They had

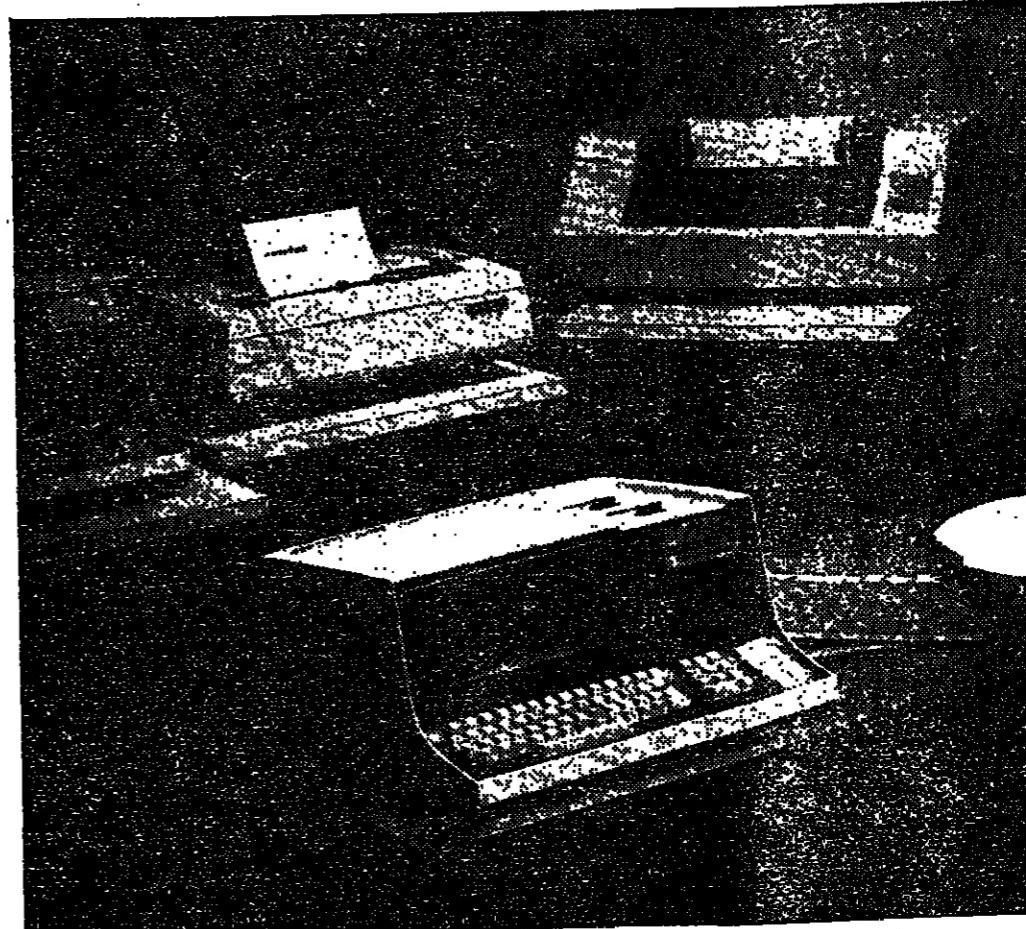
walked out on Friday in a who-
tess what row concerning repair work on faulty car seats.

Datapak-B offers a comprehensive set of computer programs forming an integrated accounting system that can be implemented as it stands - to carry out Order Processing/Sales Accounting/Stock Recording, Purchase/Nominal Ledger, and Payroll etc - or tailored to include specially required features.

Datapak-B is based on the famous Datapoint systems already supplied to companies like yours throughout the world, including eight out of the top ten U.K. companies.

So put a bit of sting back into your business. For all the facts ring

Malcolm Hammond on 01-903 6261
(or complete the coupon below).



With exceptional equipment like this,
you'll soon find business buzzing again.

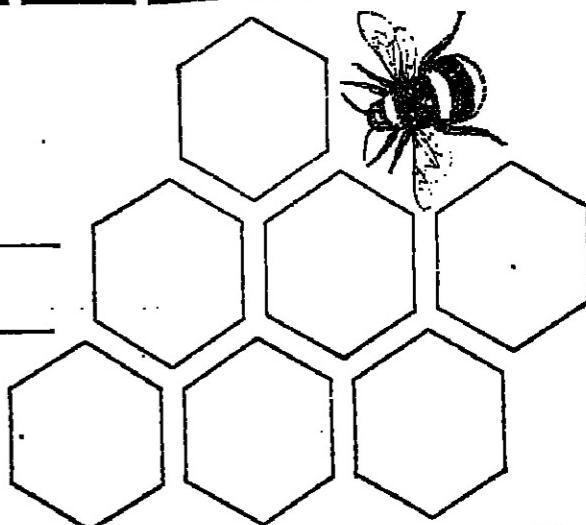
Name _____

Company _____

Address _____

Position _____

Tel. No. _____



datapak-B
by ventek

A TRW AFFILIATE COMPANY

Real FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

*Content analysis of five newspapers. Research Services International, August 1976.

Head Office: Bracken House, 10 Cannon Street, London EC4P 6BY.
Telephone: 01-248 8000.

Overseas Editorial Offices: Amsterdam, Bonn, Brussels, Cairo, Dublin, Frankfurt,
Johannesburg, Lisbon, Madrid, Moscow, New York, Paris, Rome, Stockholm,
Tehran, Tel Aviv, Tokyo.

Cost Effective Analysis

Space size	280 x 189mm	260 x 194mm
Rate	£1,568	£2,002*
Coverage	19.0%	2.7%

*Converted from FF at an exchange rate of FFB 50:£1.00 (April 1978)

APPOINTMENTS

Halma Group chairmanships

Mr. Peter Wells has been appointed chairman of Powerform S. G. WARBURG AND CO. Engineering and Power Display Equipment, both part of the HALMA GROUP. Mr. Wells, formerly of Phillips' Eadon and Associates, has assumed that position. Mr. Moss continues as chairman. Mr. Christopher Jenkins and Mr. John Shepherd have been appointed assistant directors.

* Mr. C. J. Bullock has been made an executive director of the BRITISH AEROSPACE GROUP. Mr. WALTER SPODE has succeeded Mr. Laurence Sultan, who has retired after 48 years' service.

* Mr. M. L. Forsyth Grant has resigned as director of RACAL Electronics.

* Mr. J. D. Leggett has resigned from the Board of BRAITHWAITE AND CO. ENGINEERS.

Mr. Peter Messé has re-in-

quished the post of managing director of P. S. MOSS AND PARTNERS and Mr. Alan Collins has assumed that position. Mr. Moss continues as chairman. Mr. Christopher Jenkins and Mr. John Shepherd have been appointed assistant directors.

* Mr. D. C. Guy, previously deputy manager, has been appointed manager, public relations department of the EURAMA-CASTROL COMPANY. He succeeds Mr. Laurence Sultan, who has retired after 48 years' service.

* Mr. Martin Evans, divisional manager of Wellcome Industrial (Prestwich) Ltd., has been elected president of the BRITISH PEST CONTROL ASSOCIATION.

In office, Mr. Evans will also assume the responsibilities of a director of the European Confederation of Pest Control Associations.

As provided in the Terms and Conditions Redemption Group No. 3, amounting to DIN 15,000.00,—, has been drawn for redemption on July 15, 1978 and consequently the Note which bears number 3 and all Notes bearing a number which is 4, or a multiple of 4, plus 3, are payable as from July 15, 1978

Dfls. 60,000,000.—
6½% Bearer Notes 1973 due 1977/1980
of
N.V. NEDERLANDSCHE
SCHEEPVAART UNIE
(now named KONINKLIJKE
NEDLLOYD GROEP N.V.)
Rotterdam

Second annual redemption instalment
(Redemption Group No. 1 fell due on
July 15, 1977)

As provided in the Terms and Conditions Redemption Group No. 3, amounting to DIN 15,000.00,—, has been drawn for redemption on July 15, 1978 and consequently the Note which bears number 3 and all Notes bearing a number which is 4, or a multiple of 4, plus 3, are payable as from

July 15, 1978

at
Algemene Bank Nederland N.V.
(Central Paying Agent)
Bank Mees & Hope NV
Amsterdam-Rotterdam Bank N.V.
Pierson, Heldring & Pierson N.V.
in Amsterdam:
Kredietbank S.A. Luxembourgeoise
in Luxembourg;
Algemene Bank Nederland (Genève) S.A.
in Genève;
Algemene Bank Nederland in der Schweiz AG
in Zurich.

May 29, 1978

CONTRACTS

£10.2m orders awarded by NCB

Contracts with a total value of £10.2m have been let by the National Coal Board for the supply of a dual computer to handle applications covering a wide range of engineering and design departments, schools, museum and library systems, and central rates system.

The £10.2m contract for the same period, valued at £2.3m, will be supplied by J. R. Steele, Arshire Metal Products, Darlington, and Simpson Rolling Mills, A. Thomas and Co. (Mirs), Spencer Steel Services, Davy, Danks, Green (Steel), J. R. Steele, Danks, A. Thomas and Co. (Mirs), Geo. Wolfe and Sons, and European Steel Sheets. Ray, R. European Steel Sheets, Ray, R. Carrmarchen has been won by CHRISTY AND NORRIS. Work has started on this greenfield site, and the plant will be on stream later this year.

Herbert Ferryman, a South-

ampton-based pharmaceutical wholesalers, has placed an order with DATASAB for three D15 small business systems worth about £130,000. Datasab's pharmaceutical wholesaler pack-

aging, delivery documentation, stock control, sales ledger and automatic purchase ordering.

Mining and Chemical—a group of five different companies in import, refining precious metals, selling pharmaceuticals and supplying pharmaceuticals to wholesalers—has ordered a Datasab D13 minicomputer system. The computer will be used for sales, purchase and nominal ledger, payroll, on-line order processing, invoicing and stock control by all the companies in the group.

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

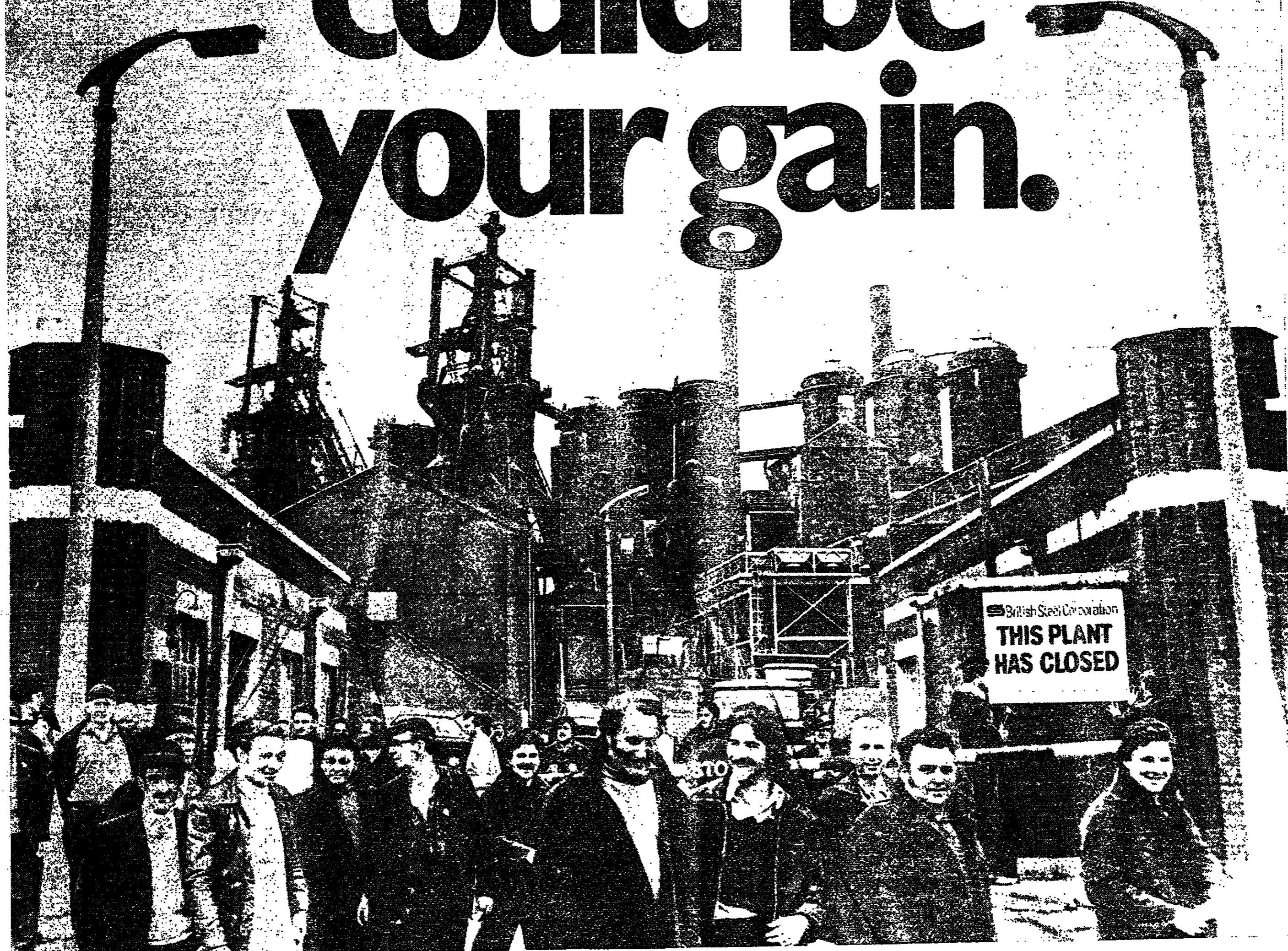
is now under way on this greenfield site, and the plant will be on stream later this year.

*

The £10.2m contract for the new animal feed mill for Bibby's at Carrmarchen has been won by CHRISTY AND NORRIS. Work

is now under way on this greenfield site, and the plant will be on stream later this year.

Why your loss could be your gain.



Our loss

The re-organisation and streamlining of the British Steel Corporation is leaving many thousands of workers without jobs.

Your gain

An unparalleled opportunity for companies that are expanding or re-locating to benefit from the most comprehensive industrial package ever assembled, including an established workforce with a balance of skills.

Our credentials

We are BSC (Industry) Ltd., a dynamic little company whose sole purpose is to attract new industry into steel closure areas.

There's a powerful mixture of people willing us on:

The UK Central Government.

The various regional authorities, and development agencies.

The European Coal and Steel Community.

The Steel Committee of the TUC. And finally, the full weight of the British Steel Corporation itself.

What you could get out of it

Labour: A skilled workforce, specially trained in advance for your company.

Sites and premises: A choice of fully-serviced industrial sites, many of them greenfield, in England, Scotland and Wales. Plus advance and custom-built factories.

Financial incentives

One. We'll help you squeeze every last penny from Central Government, Regional Development funds, and the funds of the European Coal and Steel Community.

We'll take you by the hand and make sure you don't trip over any red tape.

Two. In addition to these funds, we have our own. We can use these to tailor incentives to your particular needs. Our brief is to be very flexible, as long as good, solid, long-term jobs are being created.

Three. If you trade with BSC, so much the better. We may be able to help you even more.

Four. If your business is steel-related, we may be able to take share-holdings and give financial support. Again the critical factor is 'investment per job created'.

So for those companies which react quickly, our loss could be turned into a very big gain indeed.

Simple first step

Call us now on 01-235 1212. Ask for BSC Industry Action Desk.
Or clip the coupon for more facts.

BSC (Industry) Ltd.

PO Box 403, 33 Grosvenor Place, London SW1X 7JG

Name _____

Address _____

Position _____

Tel No. _____

FTS-6

The industrial opportunity of a lifetime.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

• INSTRUMENTS

Storage oscilloscope

OFFERED by Gould Advance is expanding the display horizontally, even after storage has taken two-channel digital storage scope and waveform monitor with several new facilities including an X-Y display (one input channel displayed against the other) and a sensitivity of 100 microvolts/cm.

It is based on an 8-bit analog/digital converter operating at 1MHz sampling rate into a 1k bit size to provide a 3dB bandwidth up to 500kHz.

In addition to facilities for displaying the sum or difference of the input signals, the instrument has a comprehensive range of signal conditioning and trigger facilities, including a "trigger-window." In this mode, trigger occurs whenever the input goes outside either of two levels, symmetrically spaced above and below the original trigger level.

An important feature of the digital storage system is a signal delay switch, which inserts a quarter scan length delay into the digital signal path, so that events happening prior to the trigger event may be viewed on the screen.

An 18-position rotary switch varies the speed rate over the range 100 microseconds/cm to 500cm, while an X-pan display control offers the facility of 784774.

• ENVIRONMENT

Conditions the air in industrial plants

SPECIALLY DESIGNED to meet panels to give rigidity, good thermal and sound absorbent properties, says the company.

The units are built in two main flanged sections, one incorporating the heater batteries.

Called the Climaon 2000 series, they are said to provide close control of temperature, pressure, control of humidity and air filtration, combined with minimum cost and ease of installation.

The series is of modular construction, employing inflated

More on 061 330 6621.

ARAB REPUBLIC OF EGYPT

MINISTRY OF PETROLEUM EGYPTIAN GENERAL PETROLEUM ORGANIZATION (EGPC) PETROLEUM HOUSE

EVALUATION OF EXECUTION CONTRACTORS

The Egyptian General Petroleum Organization (EGPC) announces a public tender locally and internationally for the execution of the projected Petroleum House located at Galaa Bridge Square, Giza, Egypt.

Companies desirous of taking part in this adjudication are required to apply to the Egyptian General Petroleum Organization (EGPC) at its Head Offices, Othman Abdul Hafeez Street, Nasr City, Cairo, beginning from Saturday, June 11, 1978 and until 12.00 noon, Thursday, June 29, 1978 for having their names registered and for procuring the booklet giving a brief description of the nature and volume of the works involved against payment of the amount of L.E. 10 to EGPC's treasury.

Companies confident that they are of a level qualifying them to take part in this tender are required to file a detailed account of their previous works and major undertakings carried out or presently under execution within the period from the registration of their names and until 12.00 noon, Thursday, July 13, 1978.

The Egyptian General Petroleum Organization (EGPC) will then determine which companies are to be invited to take part in the adjudication and EGPC reserves the right to make on the spot inspection of some of the works undertaken by each company to study its actual possibilities, capabilities and standard of execution and finishing touches. The contracting company should arrange for and facilitate the necessary procedure for carrying out this inspection with no liability whatsoever to EGPC in the event a company is not chosen to take part in the adjudication and with no need for giving any reasons.

Companies finally chosen to take part in the tender will be duly notified by EGPC to procure the tender's conditions and drawings against payment of L.E. 500 to EGPC's treasury.

GOVERNMENT OF MAURITIUS MINISTRY OF AGRICULTURE AND NATURAL RESOURCES AND THE ENVIRONMENT BULK SUGAR TERMINAL — PORT LOUIS ELECTRICAL SERVICES CONTRACT No. 17E

Tenders closing at 1.30 p.m. on Wednesday, 16th August, 1978, are invited for the following works for the Bulk Sugar Terminal at Port Louis, Mauritius, in accordance with the Drawings, Specifications and General Conditions of Contract for Contract No. 17E.

The Contract is for the installation and commissioning of 22KV switchgear two (2) 1000 KVA 22KV/400 Volt power transformers, L.V. switchgear and motor control centres, together with supply and installation and commissioning of light fittings, cables, distribution boards, communications equipment and all other equipment necessary for the complete operation of a large sugar terminal with approximately 180 electric motors ranging from 1kW to 185KW.

Drawings, Specification and General Conditions of Contract may be examined at the offices of the Consulting Engineers, Macdonald Wagner & Priddle Pty. Ltd., at Port Louis, Mauritius and at North Sydney, N.S.W., Australia, and also at the Mauritius High Commission, 32/33 Elstaston Place, London, S.W.7, England, and the Mauritius Embassy, 68 Boulevard de Courcelles, 75017, Paris, France.

Sets of Drawings, Specification and General Conditions of Contract for companies registered in Mauritius may be obtained from Macdonald Wagner & Priddle Pty. Ltd., Rogers Automotive Building, Cnr. Edith Cavell & Mere Barthelemy Streets, Port Louis, and for companies registered in all other countries they may be obtained only from Macdonald Wagner & Priddle Pty. Ltd., 100 Miller Street, North Sydney, N.S.W., 2060, Australia—Telex No. 20836.

The non-refundable charge for each set of documents obtained in Mauritius is 580 Mauritian Rupees and 100 Australian Dollars in Australia.

Envelopes endorsed "Tender for Contract No. 17E, Electrical Services, Bulk Sugar Terminal—Port Louis" and containing a Tender accompanied by a Tender deposit are to be addressed to the Chairman, Tender Board, Ministry of Finance, Port Louis, Mauritius and lodged in the Tender Box, at the Chief Cashier's Office, Accountant General's Division, Treasury Building, Chaussee, Port Louis, Mauritius or posted from overseas to reach the Chairman, Tender Board, Ministry of Finance, Port Louis, Mauritius on or before the closing time and date.

The Tender Board does not bind itself to accept the lowest or any tender and will not assign any reason for the rejection of a tender.

Ministry of Agriculture & Natural Resources & The Environment

• DATA PROCESSING

Counts and categorises vehicles

A PROBLEM with existing vehicle census systems is that uses inputs from three sensors to count passing vehicles accurately, vehicles by measuring length, manual methods have to be used number of axles and wheelbase if vehicle categorisation is dimensions.

Recently however, the Transport and Road Research Laboratory awarded contract to the Golden River Company Ltd, Bicester, for the development of a microprocessor-based vehicle classifier which is now commercially available.

Using the TRRL vehicle class-

The Mk4 vehicle classifier prints out on a teletypewriter terminal, or recorded on magnetic tape for future replay analysis, perhaps via a mainframe computer.

Size of the classifier is 184 x 255 mm, weight is 14 kg hours.

This transmitting aerial is omnidirectional, vertically polarised and covers a frequency range 535 to 1605 kHz.

In addition, it is particularly suitable for tactical, emergency and other temporary applications since for transportation purposes it is entirely self-contained on a wheeled trailer that carries the single crank-up tower, guys and radiating elements, ground screen elements matching unit, guy anchors, baseplate and tower

strength galvanised steel and all the radiators, catenaries and guys are made from Alumoweld, a wire composed of steel core with a conductive, corrosion resistant welded aluminium coating. Insulators are in glazed alumina.

More on 01-937 2796.

• COMMUNICATIONS

Aerial goes up quickly

ON AN average site the model

618 medium wave aerial from Technology for Communications International (TCI) can be

erected by four men in three

hours. This transmitting aerial is omnidirectional, vertically polarised and covers a frequency

range 535 to 1605 kHz.

In addition, it is particularly suitable for tactical, emergency and other temporary applications since for transportation purposes it is entirely self-contained on a wheeled trailer that carries the single crank-up tower, guys and radiating elements, ground screen elements matching unit, guy anchors, baseplate and tower

strength galvanised steel and all the radiators, catenaries and guys are made from Alumoweld, a wire composed of steel core with a conductive, corrosion resistant welded aluminium coating. Insulators are in glazed alumina.

More on 01-937 2796.

Mechanical installation

is part of

Norwest Holst
total capability
01-235 9951

the equipment can save 70 per cent in time and 48 per cent in cost compared with manual techniques.

The system incorporates a 21-in printed circuit board designer from Racal Redac with on-line plating, greatly reducing overall board development time and allowing photolithography of a complete design to be carried out while another board is being designed.

Powerful automatic routines for component placement, track routing and automatic design rule checking can be performed through interactive techniques and components or routes may be added, deleted or modified at any moment. More on 0624 294161.

The tower is in seven telescoping sections made from high strength galvanised steel and all the radiators, catenaries and guys are made from Alumoweld, a wire composed of steel core with a conductive, corrosion resistant welded aluminium coating. Insulators are in glazed alumina.

More on 01-937 2796.

Speeds up design of boards

THE MAXI

printed

circuit

board

designer

from

Racal Redac

provides

users

designing

a large

number

of PCBs

containing

discrete

components

with a substantial saving

in time and cost.

MAXI can handle between 100

and 150 circuits on one board,

with board sizes up to 23 x 25

ins, eight track widths, 32 pad

sizes and up to eight tracking

layers.

The company claims that

each of the models can be sup-

plied in manual/hydraulic or

electro/hydraulically powered

machines, where simple elec-

tronic modules can replace a

high proportion of precision

mechanical engineering.

Basically mechanical firms

have been reluctant to invest

in electronic solutions for two

reasons: the initial investment in

the necessary components and

equipment can be very expen-

sive, and the outcome can be

uncertain unless the company

has experience in the technology.

The company believes that by

incorporating suitable electronics

into all its products, a manufac-

turer can transform them into

market leaders."

• ELECTRONICS

Mechanical answers

SCICON

has set up a new team to develop products and systems based on microprocessors; a

small laboratory has been equipped with microprocessor development systems from Data General, Zilog and Intel.

Main aim will be to develop tools for microprocessors. To

that end the organisation, called Scicon Micro Systems, is looking for companies which seek to replace existing electro-mechanical devices by micros, or which want to develop microprocessor-based systems.

Scicon is prepared to either

develop the products, or to enter

into joint ventures with com-

panies who have their own ideas

for using micros.

One of two areas where Scicon

has already been particularly

active is in the development of

SPARQ, a microprocessor-based

device which enables computer

data to be transmitted over high-

frequency radio links—an applica-

tion not commercially avail-

able before.

The other is in a range of

peripheral devices like visual

display terminals and line

printers which use micro-

processors to hold the necessary

software to enable bi-lingual

Arabic and English text to be

handled.

More on 01-580 5589.

• HANDLING

Tips the drums

Mucon valve and discharge chute

Two clamps fix on to the cone's rim, thus activating the unit.

The drum then swings through 180 degrees arc which completes the operation even on the manual/hydraulic versions, in under two minutes. Discharge

can be direct into a process hopper or an MJP Spiroflow spiral conveyor can be plugged in to the discharge chute.

This combination, says the company, is particularly ideal for handling toxic materials or where dust-free transfer is

required.

Each of the models can be sup-

plied in manual/hydraulic or electro/hydraulically powered

How do you want your Rover?

With the new Rover 2300 coming into full production, you now have a choice of three outstanding Rovers.

To help you choose we offer a summary guide to the new Rover range. The three new Rovers share the elegant, aerodynamic body made famous by the award-winning Rover 3500. But each Rover has characteristics and features that are all its own, distinguishing them from each other and the Rover range from the rest...

Rover 2300

Powered by one of the new, 6-cylinder in-line Rover engines (2350 cc) with aluminium head, developing a healthy 123 bhp. The crisp gearbox is 4-speed manual with 5th speed and automatic options.

Rover safety:

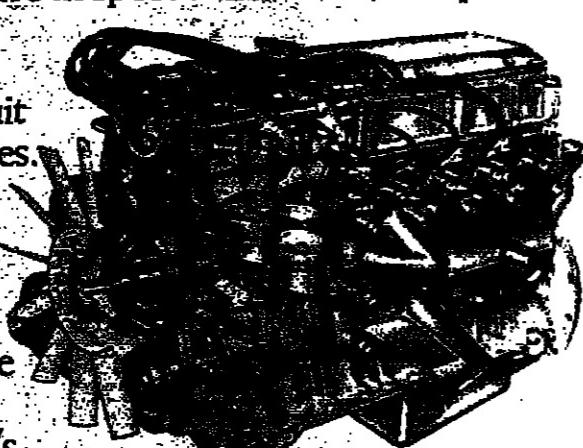
the sure stopping power of dual-circuit servo-assisted brakes.

Rover safety: in case of accident fuel supply automatically shuts off.

Comprehensive weather and grit protection: the car's paintwork is electro-

phoretically primed and thermoplastically finished.

There's full underbody protection, zinc sills and stainless steel bumpers.



More safety: high intensity rear foglamps, twin reversing lights, hazard lights and front door-open warning reflectors. Inside, an energy-absorbing fascia and adjustable, telescopic steering column.

And on all Rover models, a Triplex-Ten Twenty/Super/Laminated screen, the safest production windscreen in the world.

The 2300 doesn't skimp on comfort: reclining front seats have head restraints, there's cut pile carpeting and an easy-to-clean rubber boot surface, a push-button radio, cigar lighter, twin glove lockers and a driver's door mirror adjustable from inside.

With all that safety and comfort goes high performance: a top speed of 114 mph and 0-60 acceleration of 11.5 seconds!

All for £3645.25*

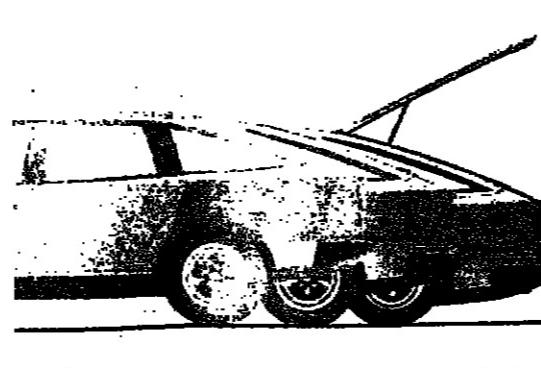
Rover 2600

The six-cylinder engine is modified to deliver 136 bhp and, like the 2300 engine, features the Design Council Award-winning Air Temperature Control unit. Together with a belt-driven camshaft, it contributes to efficient fuel consumption and quiet running.

The 2600 introduces a self-levelling suspension system that ensures that the car is the correct height above the road whatever the load and however it may be distributed. The system also keeps the 4 beam halogen headlamps correctly aligned.

In addition to the 2300 specification you'll find map and glove locker lights, a carpeted boot, colour keyed fascia, more comprehensive instrumentation, extra comfort with box pleated seats, and extra refinement like front door-open warning lights.

The gearbox is 5-speed manual with an automatic option: the car reaches 60 mph from standing start in 10.7 seconds and has a top speed of 119 mph! ■



In spite of its additional specification, the Rover 2600 costs just £5991.57*. A price level with considerable tax advantages to the business car user.

Rover 3500

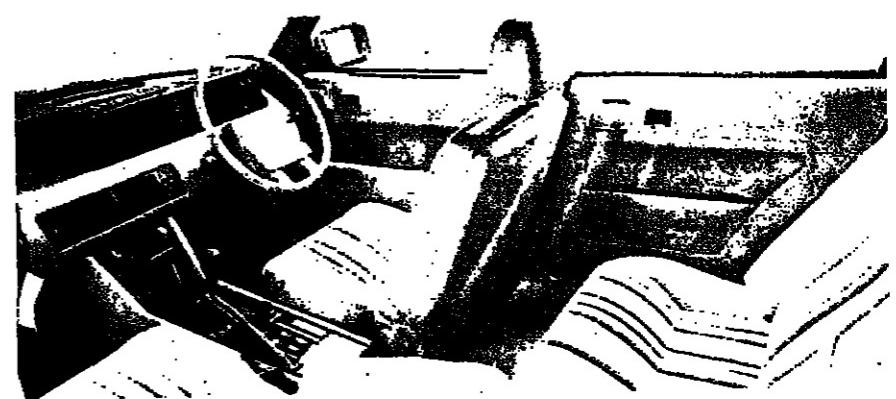
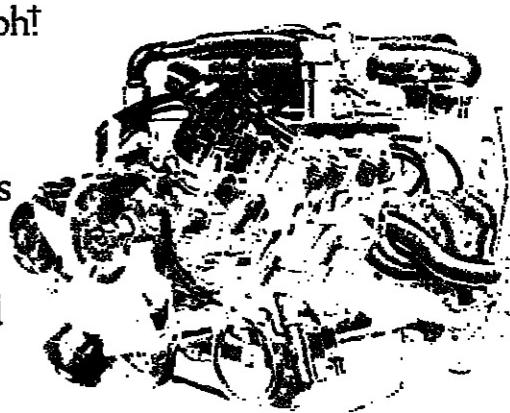
The magnificent Rover 3500 obviously has everything the 2300 and 2600 offer. And more.

The famous Rover V8, 155 bhp engine is fitted with electronic ignition, which assists fuel economy, reliability and performance. The car goes from 0-60 in 8.9 seconds and has a top speed of 122.3 mph!

The 3500 adds power-assisted steering. The all-round tinted windows are electrically operated. All five doors can be secured from a central locking device in the driver's door.

With luxury features like the quad speaker push button radio and stereo cassette player, the 3500 is unmistakeably the range leader.

The award-winning Rover 3500 will cost you or your company £7174.44* (A price which now has considerable business car tax advantages).



Before you decide, you'll want to know a lot more about the Rover range than we have space to tell.

A visit to your Rover showroom will provide all the details and the opportunity of a test drive, which is usually the decisive experience.



2300, 2600, manufacturer's figures, standard manual versions.
2300, Motor magazine, manual.
Prices correct at time of going to press and include car tax, VAT,
stamp duty, front seat belts and Supercovers. Delivery and number plates extra.
2300 shown with Dunlop Denovo options available on all models.
Options available on 2300 and 2600 as showroom accessories.

Rover 2300/2600/3500

Building and Civil Engineering

Laing busy in Middle East

THE CENTRAL Military Command in Dubai has awarded a £1m contract to John Laing to build a sports stadium seating about 1,000 spectators in Dubai, United Arab Emirates. Due for completion at the beginning of next year, the stadium building will be of reinforced concrete frame construction on two levels.

At Zahoor Village, Al Ain Abu Dhabi, a pilot project worth \$1.5m is to be undertaken by Al Naboodah Laing. This contract, for the construction of 40 single-storey houses, has been awarded to the company by the Office of the Divan of the Eastern Province of Abu Dhabi, which will be a visitors' lounge for 60 people together with associated rooms.

Stand seating will consist of smooth-finish pre-cast concrete units surmounted by GRP tip-up seats, supported on loadbearing brickwork walls. External walls will be of traditional construction, the walls in will have coloured Tyrolean concrete and blockwork, with all spattereddash finishes and the external walls clad in locally produced crushed stone. Estimated capacity of the plant will be 120,000 tonnes per year.

A special synthetic grass playing surface will cover the "U" layout which will include full-size football pitch, bordered by an eight-lane athletics track, and there will be facilities for field events on the west side of the track, opposite the stadium building, with overall floodlighting arranged on four 16-metre-high columns.

At Zahoor Village, Al Ain Abu Dhabi, a pilot project worth \$1.5m is to be undertaken by Al Naboodah Laing. This con-

tract, for the construction of 40 single-storey houses, has been awarded to the company by the

Office of the Divan of the

Eastern Province of Abu Dhabi,

which will be a visitors' lounge for 60 people together with associated rooms.

Stand seating will consist of smooth-finish pre-cast concrete units surmounted by GRP tip-up seats, supported on loadbearing brickwork walls. External walls will be of traditional construction, the walls in will have coloured Tyrolean concrete and blockwork, with all spattereddash finishes and the external walls clad in locally produced crushed stone. Estimated capacity of the plant will be 120,000 tonnes per year.

Improving homes

CONTRACTS WORTH nearly £2m for house modernisation have been won by D. T. Bullock and Co., a member of the Whitaker Ellis Bullock Group.

One contract starting later this month, worth £1.2m, is modernisation of 224 married quarters at RAF Tem Hill, Shropshire, for the Property Services Agency.

The other contracts for similar work are being carried out for Tamworth Borough Council at Rale Hall, Tamworth, and for the Guinness Trust at South Bank, Middlesbrough.



Gatwick helicopter centre

NORWEST HOLST Southern has been awarded a £2m contract to redevelop British Airways helicopter headquarters at Gatwick Airport.

The contract covers redevelopment of the office and engineering blocks, as well as external works, and including the construction of a 50 metres x 50 metres x 10 metres high hanger with single span roof.

Project manager is the civil engineering branch of the Property Department of British Airways assisted by architects Norman Rose, Hurley and Stewart, structural engineers Ronald Taylor and Associates, civil engineers Edwards and Blackie who are also the building services engineers and quantity surveyors John Cobb and Partners.

Work which has started is due for completion in March, 1980.

Government centre in Abu Dhabi

THE DESIGN contract for a parliamentary complex in Abu Dhabi in the United Arab Emirates, has been awarded to consulting engineers White Young and Partners working in collaboration with architects John Brunton and Partners.

The project calls for an assembly hall with seating accommodation for over 500 and includes a ceremonial reception

suite and ministerial offices.

The site, which is over a kilometre of a mile long, will contain all the administrative accommodation and services necessary for a modern centre of government and will include residential quarters as well as shaded arcades, formal gardens, ornamental pools and fountains.

White Young says it is expected that work will commence within the next 12 months with a contract period of two years. International tenders are to be invited. The complex will cost about £6m.

House for today

A PROTOTYPE of an "instant house" was displayed last week at the opening of BTR Fermapl's new factory in Gloucester.

The system, called GRP 1200, was conceived and marketed by the Glass Reinforced Plastic Corporation, hoping to offer an answer to growing demand for quickly erected buildings at minimum cost.

A major outlet for the system is anticipated in rapidly developing countries, principally in the Middle East, and a modular design can be adapted for other applications such as hospitals, schools, barracks, offices, hotels, and leisure complexes.

GRP was chosen because of its high strength to weight ratio, comparable with mild steel—and its suitability for volume production.

Bovis wins £2m awards

THREE MAJOR contracts totalling over £2m have been awarded to Bovis Civil Engineering of Westbury, Wiltshire.

The largest is for an underground car park surrounded by a store and warehouse for Associated Dairies at Lower Earley, near Reading. The building is to form the nucleus of a shopping centre for the new town of Lower Earley which will be developed over the next ten years. The contract, worth £1.5m, includes eight lock-up shops, offices, canteen and toilets.

Platt Saco Lowell has awarded a £1m contract to the company to build a smelter for a textile machinery plant at Bolton, Lancashire. This work requires the demolition of old furnaces, oiling, reinforced concrete foundations and a structural steel framework for the smelter's control building and electricity sub-station.

In Westbury, the company is carrying out a ground works contract valued at £350,000 for a new extension to Tesco's regional storage depot.

£10m job for Tarmac Maintaining historic Brighton

AWARD OF a £10m sub-contract for all the building and civil engineering work involved in the second phase of construction of the power station at Sharjah in the United Arab Emirates has been announced by Tarmac International.

Tarmac's remit covers foundations, culverts, pipework as well as all the buildings and structures associated with the power house. Also included are a pumphouse, desalination plant and a 7.4m gallon reservoir. Main contractor is Gruppo Industrie Elettrico Meccaniche per Impianti All'Esterio SPA of Milan.

Consulting engineers are Kennedy and Donkin with Sir William Halcrow and Partners as associated civil engineering consultants.

Cubitts tops £50m at Thamesmead

WITH THE Greater London Council's latest award of £3.5m to Holland, Hannen and Cubitts, for advance civil engineering work in Area 8 East of the new riverside town, the company has now won more than £53m contracts at Thamesmead.

The upgrading operation will involve the construction of 16 grade-separated junctions, 13 ground level intersections, and the installation of hard shoulders in the central reserve. This work will require the construction of 18 prestressed concrete bridges. In addition, Atkins will be designing traffic signals, lighting and bilingual direction signing for the complete route.

Total cost of the project will be about £40m and it is expected that tenders will be invited this autumn.

Consulting engineers are

Kennedy and Donkin with Sir

William Halcrow and Partners as associated civil engineering

consultants.

This work has just started on the

ground work for

more than 750 new homes. The

company is designing and installing

more than 3,000 foundation

piles to support the homes con-

structing sewers, providing

100,000 cubic metres of fill, and

building roads and a subway.

Work has just started on the

ground work for

more than 750 new homes. The

company is designing and installing

more than 3,000 foundation

piles to support the homes con-

structing sewers, providing

100,000 cubic metres of fill, and

building roads and a subway.

Work has just started on the

ground work for

more than 750 new homes. The

company is designing and installing

more than 3,000 foundation

piles to support the homes con-

structing sewers, providing

100,000 cubic metres of fill, and

building roads and a subway.

Work has just started on the

ground work for

more than 750 new homes. The

company is designing and installing

more than 3,000 foundation

piles to support the homes con-

structing sewers, providing

100,000 cubic metres of fill, and

building roads and a subway.

Work has just started on the

ground work for

more than 750 new homes. The

company is designing and installing

more than 3,000 foundation

piles to support the homes con-

structing sewers, providing

100,000 cubic metres of fill, and

building roads and a subway.

Work has just started on the

ground work for

more than 750 new homes. The

company is designing and installing

more than 3,000 foundation

piles to support the homes con-

structing sewers, providing

100,000 cubic metres of fill, and

building roads and a subway.

Work has just started on the

ground work for

more than 750 new homes. The

company is designing and installing

more than 3,000 foundation

piles to support the homes con-

structing sewers, providing

100,000 cubic metres of fill, and

building roads and a subway.

Work has just started on the

ground work for

more than 750 new homes. The

company is designing and installing

more than 3,000 foundation

piles to support the homes con-

structing sewers, providing

100,000 cubic metres of fill, and

building roads and a subway.

Work has just started on the

ground work for

more than 750 new homes. The

company is designing and installing

more than 3,000 foundation

piles to support the homes con-

structing sewers, providing

100,000 cubic metres of fill, and

building roads and a subway.

Work has just started on the

ground work for

more than 750 new homes. The

company is designing and installing

more than 3,000 foundation

piles to support the homes con-

structing sewers, providing

100,000 cubic metres of fill, and

building roads and a subway.

Work has just started on the

ground work for

more than 750 new homes. The

company is designing and installing

more than 3,000 foundation

piles to support the homes con-

structing sewers, providing

100,000 cubic metres of fill, and

building roads and a subway.

Work has just started on the

ground work for

more than 750 new homes. The

company is designing and installing

more than 3,000 foundation

piles to support the homes con-

structing sewers, providing

100,000 cubic metres of fill, and

building roads and a

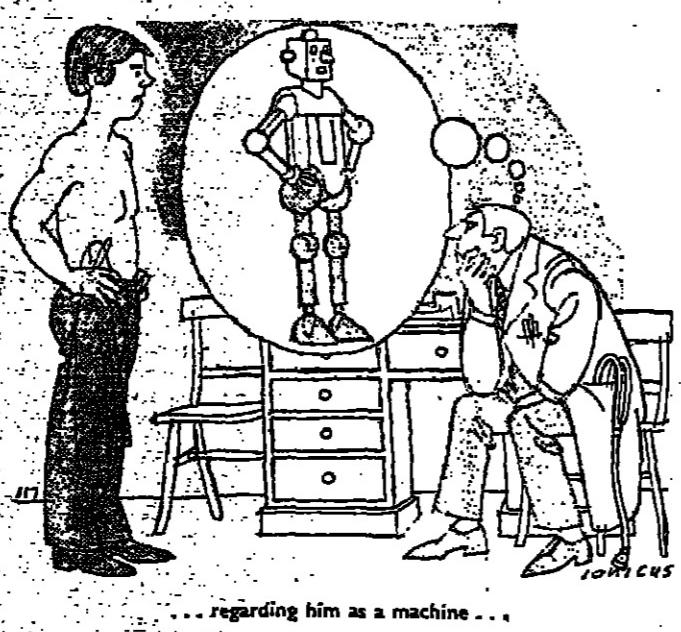
The Executive's and Office World

EDITED BY CHRISTOPHER LORENZ

EXECUTIVE HEALTH

BY DR. DAVID CARRICK

The dubious benefits of machine medicals



... regarding him as a machine ...

SOME MODERN medical methods tend to lose sight of the human being as a person and regard him as nothing more than a machine which has no soul nor any natural powers of recovery. Overzealousness on the part of a growing band of scientifically orientated individuals who appear to have no conception and certainly no faith in the remarkable powers of self-healing of the human body, when both somatic and psychological factors are encouraged to combine harmoniously, is responsible for methods of treatment which, in years to come, may well be regarded as being as unfortunate as the less dangerous errors of Avicenna, the 10th century philosopher and physician, who never forgot that a patient was an individual, not simply and callously a "case."

North America, where even child birth seems to be regarded as an abnormal occurrence, is the cradle of many undesirable inspirations and their products; and from there originated the idea and inception of the voluntary compulsory annual medical examination for executives, involving as little human participation as possible. The practice is spreading in this country and is no longer confined to American enterprises operating far from home. Happily the process has not reached—nor, I trust, will it ever reach—cancer-like proportions.

For example, there is at least one veritable medical hypermarket, so I am told, which is devoted to "processing" executives. The building has many floors and the examinee is whisked to the top where he is then "injected." Is he afraid that some disease may be discovered? Maybe, indeed, he is himself subconsciously fearful? Suffice it to say that a healthy atmosphere for promotional purposes is not created.

Fortuitous

Supposing he agrees and goes through the battery of tests and then, quite fortuitously, during the succeeding months, does not contain the scientific findings; only the bill. As a

Braun designer wins top British medal

MANUFACTURING industry last week chalked up a new British "first" in top-quality design—but the victor was a German.

For the first time the Society of Industrial Artists and Designers awarded its annual Design Medal to a designer who is a full-time employee of a manufacturing company—Dieter Rams, the brains behind the employer's manufacturing, to boot—in

the West German domestic appliance maker.

The Society argues that it is little more than coincidence that 1978 was the turn of a foreigner to receive the medal in a designer

spring. These will certainly be revealed again by the battery of scientific tests; but, alas, this does not for one moment mean that they can be as easily cured. On the contrary, they may lead to a state of hypochondriasis.

I must make it clear at this point that I am referring to "full-body, total tests" and not to matters more specific. For example, regular cervical smears should be taken from women, as early diagnosis here may well lead to a happy outcome. But here one is dealing with disease that may have arisen as the result of treating health rather than illness.

A recent issue of the Journal of the Royal College of Physicians of London, reveals that statistically, there is very little difference in life-expectancy etc. between groups who have had annual medicals over many years and control groups who have not participated in the exercise.

There is also mention of one complication that I had overlooked. In some candidates who are found to have, say, a higher blood-pressure than is considered normal, there is a tendency to begin to take time off from work because of that abnormality which, hitherto, had not exercised their imagination.

I must make it plain that I am not against annual medical examinations, whether performed by humans or machines, so long as individuals desire them at their own free will and expense, or, indeed, for any private medical treatment. It is their right and may promote happiness. And it is in no wise different from expending large sums on bigger, better television sets or outlandishly lavish weddings—practices not known among the ranks of those supposedly underprivileged.

For those who can afford none of these "luxuries," that is, those who sponsored the exercise would uncharacteristically squander money from an alien sense of innocent altruism. Now it is quite true that the machines and tests may reveal certain tendencies based on current notions, but only many years of experience will reveal the validity or otherwise of such surmises. On the other wobbling juggernaut, the NHS, hand, it is common experience should be able to supply all that most maladies of a truly serious nature do not remain silent for long. They show Aneurin Bevan, honestly and themselves as vividly as the faithfully believed that it would

incredibly inefficient, wildly guess?

So if you want your company to be as successful in the market as Braun, take a leaf from its

Kerridge

The Master Builders

C.L.

Canada
DM 600,000,000
4 3/4% Deutsche Mark Notes of 1978/1983

Offering Price:

99 1/2%
4 3/4% p.a., payable on May 20 of each year
on May 20, 1983 at parDeutsche Bank
AktiengesellschaftDresdner Bank
Aktiengesellschaft

Algemene Bank Nederland N.V.

Banque Bruxelles Lambert S.A.

Banque Populaire Suisse S.A.
Luxembourg

Berliner Handels- und Frankfurter Bank

DG Bank
Deutsche Genossenschaftsbank

Goldman Sachs International Corp.

Kreditbank S.A. Luxembourgeoise

McLeod, Young, War International
LimitedThe National Commercial Bank
(Saudi Arabia)Pitfield Mackay Ross
LimitedSalomon Brothers International
LimitedUnion Bank of Switzerland (Securities)
LimitedThis advertisement appears
as a matter of record only.Morgan Stanley International
Limited

Wood Gundy Limited

A. E. Ames & Co.
Limited

Banque Nationale de Paris

Bayerische Landesbank

Girozentrale

Burns Fry
LimitedDominion Securities
LimitedGreenshields
Incorporated

Kuwait Investment Company (S.A.K.)

Merrill Lynch International & Co.

Nesbitt, Thomson
Limited

Richardson Securities of Canada

Société Générale da Banque S.A.
Limited

S. G. Warburg & Co. Ltd.

Why employers are patently disturbed by the new law

By a special correspondent



Patents Act 1977

resolution of the dispute, when it may be too late to put it to practical use.

They believe that the new provisions of the Patents Act 1977 concerning employees' inventions came into force on June 1, 1978, and ideas end to cageiness and rivalry between follow employees working in the same field.

As for the compensation provisions, how is an employer, who framed the new provisions particularly a small employer, are not in doubt. But many to allow for the possibility of employers and their advisers to do nothing more than provide a feast for lawyers arising perhaps 20 years after the invention was made?

The good intentions of those in practice. Since it will no longer be feasible for an employer to agree with his employees that any invention the latter may make during employment shall belong to him, some employers fear there will be interminable conflicts as to the ownership of inventions.

They also fear that when such conflicts occur it may in some cases be impossible to reach agreement that the invention should be exploited pending the

And how employees stand to gain

court, within "the prescribed period" is 20 years. Employers must

In the case of an invention therefore now prepared by an employee, he may apply for compensation to the court for compensation up to 21 years after the date of the contract (and after June 1, 1978) shall be unenforceable "to the extent that it diminishes his rights."

For compensation to employees, different provisions apply, depending on whether the invention belongs to the employer or to the employee. By section 40(1) of the Act, an employee who has made an invention belonging to his employer for which a patent has been granted for both kinds of invention is and the employee's rights in section 41 of the Act

apply: a patent has been granted to the employee; the benefit derived from the invention: the effort and skill he has devoted to making the invention; the benefit and skill which any other person has devoted to making the invention; and the contribution made by the employer to the invention by the provision of advice and facilities and managerial and commercial skill.

In determining the fair share of the benefit to be secured to an employee in respect of a patent for an invention which originally belonged to him, the employer: it is just that the may reasonably be expected to derive, from the patent.

The section contains elaborate provisions as to what is to be taken into account by the court or Comptroller in respect of the patent, the extent

that it is just that he should be awarded compensation to period which begins when the relevant patent is granted, and share in respect of a patent made by the employer to apply for compensation to the expires one year after it has which has always belonged to the invention.

The author is a QC

Bayerische Vereinsbank announces the opening of its London Branch.

Bayerische Vereinsbank, one of Germany's major banks (consolidated assets DM 65 billion), is expanding the scope of its international activities. Our new London branch is an important part of BV's foreign network, covering financial centers such as New York, Chicago, Los Angeles, Grand Cayman, Tokyo, Luxembourg, Paris, Caracas, Johannesburg, Rio de Janeiro and Tehran.

Bayerische Vereinsbank
(Union Bank of Bavaria)
London Branch
40, Moorgate, London EC2R 6AY
Telephone: 6289066-70, Telex: 887876 bvlg

Manager:
Dr. Bars Graf von Wallwitz

Bayerische Vereinsbank
Head Office, International Division
Kardinal-Faulhaber-Strasse 1, D-8000 München 2
Telephone: (089) 2132-1, Telex: 523321 bvmnd
SWIFT-Address: BVBE DE MM

**BAYERISCHE
VEREINSBANK**
INCORPORATING BAYERISCHE STAATSBANK AG

Computerised seaweed

BY ANTHONY HARRIS

BERNARD CORNFELD, the exchange rate is actually likely well-known investment unit promoter, has left us with one memorable phrase, if little else, in his favour. Rather than crudely telling his salesmen that they must be prepared to put their consciences into cold storage for the duration, he simply posed a question which has become a book title: "Do you sincerely want to be rich?"

I have sometimes thought that if I wanted sincerely to be rich, I would concoct a best seller. It would be called "Zen and the art of monetarist forecasting," and be sold at some enormous price. Forecasting is a growth industry, and the monetarist approach, which simply derives one set of numbers from another set, is wonderfully labour-saving. All you need is something approaching religious faith—a mind above the sordid details of what money actually is and who owns it. It is, in short, an ideal occupation for the do-it-yourself enthusiast.

Respectable

The econometric approach, by contrast, which is based on the attempt to specify and measure a host of significant relationships in the economy, and thus embodies a statement about how the economy works, is nothing if not hard work. It may not work fruitfully well—after all, forecasting would not be a growth industry if anyone did it fruitfully well—but it is intellectually respectable. At least, it has been in the past.

The doubt confessed in the last sentence arises from reading the latest Bulletin from the National Institute of Economic and Social Research. This is not only an earnest and hard-working body, but an uncommonly honest one. It does not just offer forecasts; it confesses its own doubts and difficulties in producing the numbers it does offer, as well as frank post-mortems on its past performance. That is why the Bulletin is always worth reading, even if you disagree violently with its analysis.

This month it has some very startling confessions to make. It recognises, for example, that the exchange rate is centrally important in its forecast, and even assumes that it knows the Government's policy about the spurious air of predictability on rate and, still more hazardously, that the Government will succeed in executing that policy. But a time, and leave the field to even with all these assumptions, those who sincerely want to be

Shut up

For these purposes, then—and they are absolutely central to any economic forecast—the formulae have simply been suspended. Instead, the forecast projects trends which the forecasters do not even pretend to understand. In the real world of the moment, in which very little is happening, this naive form of projection happens to produce pretty accurate forecasts; but its economic content is equivalent to equipping the Meteorological Office with a piece of computerised seaweed.

The fact that what one writer has called the awful cussedness of things in general is reducing even serious and earnest forecasters to mumbo-jumbo does tell us something about the real world. While financial flows are highly abnormal, and confidence is manic-depressive, the normal rules are suspended. Unfortunately this very atmosphere increases the general hunger for forecasts, which confer a spurious air of predictability on things. It is, perhaps time for honest forecasters to shut up for in executing that policy. But a time, and leave the field to even with all these assumptions, those who sincerely want to be

THE WEEK IN THE COURTS

BY JUSTINIAN

AN ITEM in the Press last week prompted the immediate reaction that the life of a lawyer is becoming more than a little hazardous now that there is recognisably a greater identification of the lawyer with his client.

The development is both professionally disturbing and in the long run unhelpful to clients' interests, if not political causes.

A lawyer involved in the West Berlin trial of suspected members of the notorious Second of June Movement had been shot in the foot on his way to Court. This event was not unique in the country, where civil liberties struggle manfully against violent and anarchistic movements.

The West German legal profession has been seeking comfort and moral support from its brother organisations abroad in its fight to maintain its rigorous independence.

If none of the uglier occurrences on the Continent has had its counterpart in Britain, there is little room for complacency. Judges in England have received letter bombs and all judges trying IRA terrorist cases in the last few years have been provided with special protection.

Only recently the Court of Appeal (Criminal Division) sat unprecedentedly at the Old Bailey to hear an appeal by IRA terrorists because the security arrangements at the Law Courts in the Strand were considered inadequate.

Lawyers engaged in cases may have escaped anything worse than special searches of their persons and belongings. But there is a fear that they too may be vulnerable to the extortions.

Despite the taxi cab principle—that every barrister is bound to accept any brief offered him if he is not otherwise professionally engaged—it is well known that some barristers are chary of appearing in cases involving the most violent, politically motivated accused, even to the point of deliberately limiting the frequency of such representation.

Identification with a certain class of accused, it is feared, might attract retribution from disparate sources outside the courtroom. Most, if not all of this anxiety is associated with the terrorist cases and not ordinary, non-political crime or civil litigation.

There is little sign of the Mafia-hired lawyer in Britain, although the police, prompted by some utterings of Sir Robert Mark, the former Commissioner of Metropolitan Police, are fond of pointing the finger at some firms of solicitors for aiding and abetting professional gangsters in their escapades in the courts.

The worry stems from the simple fact that a client's lawyer is seen more and more nowadays

by the involved and politically committed public as not just the client's mouthpiece but also his active sympathiser in his cause.

Clients desire to play an active role in the preparation and conduct of their cases and they seek in their legal representatives allies beyond the mere forceful presentation of their cases in court.

The ideal type of representation is said to be not just an accessible person with knowledge, experience and skill who takes command of the case and assigns his client to a passive role. What is sought is a partnership or joint enterprise which goes beyond the strict confines of the courtroom.

Two years ago the then chairman of the Bar said the concept of representation as a joint enterprise might "possibly necessitate a greater identification by the lawyer with his client than is normal in a more traditional practice."

But they offer their expertise to all comers, irrespective of claims to professional or personal sympathy.

It is fundamental that a client should have the lawyer of his choice. No one would want to interfere with that right. When the leaders of the legal profession worry about is that individual independence is threatened whenever the client dictates to the lawyer how the case is to be conducted. The lawyer in sympathy with his client is more likely to be defected from his essential role if such influences prevail.

This concern is not so much a reflection of the apothecary of professionalism but is prompted by the ardent desire to ensure that all representation should be the best available.

The leaders in the legal profession in England are not unnaturally worried that a fusion of the two sides of the profession will serve only to increase the identification of barrister with his client.

The trend in present practice is the most powerful factor in promoting the preservation of a divided profession, even if the financial costs of maintaining the status quo is more than the country's economy can bear.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.

Courts are more receptive to the advocate who appears to argue his case in an objective manner—this is much less true of jury trial where rhetoric and reporting early next year.

Barriers to their job best by leaving their personal views outside the courtroom. The most successful advocates, however, are those pliable or have a thorough schism. Personal identification with the client's case gets in the way of the most effective advocacy.</p

Financial Times Monday June 5 1978

y fo

Coriolanus

by B. A. YOUNG

A mood of intransigent excitement breaks out the moment the stage is lit and it never relaxes for the whole of the magical evening. Downstage, the citizens, egged on by Barrie Rutter's radical First City seem ready to jump down over the front of the stage and set about the stalls with their pikes. Luckily for us that Graham Crowden's Menenius, calmly settled on his shooting-stick, is so emollient with his cunningly long-drawn-out tale of the belly and the limbs.

The evening is long; the play lasts about three hours and a half; yet the tension never slackens for an instant. The production, directed by Terry Hands, is in what might be described as last year's Stratford house-style, with a minimum of scenery, lively crowd-scenes conjured up (rather astonishingly in a play that depends so much on the temper of the people) with a handful of players, events following one another as fast as physically possible.

The outstanding performances are naturally those of Alan Howard as Coriolanus and Maxine Audley as his mother Volumnia. Miss Audley is an actress at the end of her sixties, with a twinkle in her eye, a handfull of players, events following one another as fast as physically possible.

About Mr. Howard I have some strong reservations. There is no doubt that with paucis of sound from his emoji-ed voice he can raise up a martial music

that sends them in the gallery. This is known as splitting the ears of the groundlings. My case is like Desdemona's: "I understand a fury in your words, but not the words." The emotions sound as they should, but it is rare thing if Mr. Howard inflects the lines in accordance with their natural meaning, or indeed with any meaning. He might as well be singing them from a musical score. I don't deny the physical pleasure I get from hearing him; but how much better if I could add to that the actual sense of the words.

There is much good common-sense speaking from the characters around him. John Burges and Oliver Ford-Davies bring the Tribunes to life in the very image of General Secretaries of Trades Unions; and at the other end of the social ladder there is some notably good playing by Jeffery Dench as Cominius.

The Volscians are encapsulated in Julian Glover's icy, statuesque *Ananias*, half a head taller than Coriolanus and suggesting a soldier character. All the same, when he has his hand-to-hand fight with his Roman adversary—a hand-in-hand fight in fact—he is the loser, and has been impulsive but also in the warm and heavily resonant Assembly Rooms, oppressive. Further chances of hearing the work will surely come soon to sort things out.

There was a single performance on Tuesday evening by Rye Stuckey, forbidding set, the grey trapezoid-shaped blocks in the dictatorship of the state elite or goes through this motion capable of curiously swivelling on their axes to enclose small areas, or to represent city walls, fit well into the Aldwych. The lighting, by Terry Hands himself, is often particularly interesting as it selects small areas of special concern. There is a fascinating moment when Coriolanus, standing apart behind the crowd, casts three menacing shadows on the back wall.

Schwertik's was preceded on this occasion by Webern's Five movements on 5 and followed by Ligeti's String Quartet No. 2. These engrossing performances and the even more striking reading by the Canino-Ballista piano duo on the previous afternoon of Ligeti's *Monument: Selbstporträt* and *Begegnung*, suggested the possibility that we may be entering a Hellenistic age of music with Webern as part-precursor—a time of small-scale sophistication, subtle conceits, and stylistic ambivalence. The Ligeti two-piano pieces were especially well-judged for speed: Wells is good for sound as cathedrals go, but not foolproof. Hearing the two works one after the other, the Requiem seems much the more consistent, the difference between the sublime and the merely grandly imposing parts of the Mass suggesting that Mozart did not complete fully deserves public as the score because he was con-

scious of the inequalities.

The Bath Festival

by RONALD CRICHTON

Bath last week had royal and Chabrier's *Souvenirs de Munich*. This set of quadrilles that for the 1977 Festival during of themes from *Tristan* is only apparently irreverent—a true though there was an unfortunate clash between the opening of Chabrier's individuality could release the musical tensions of *Holloway's Hymn*, by the John Alldis Choir, of Holloway's Hymn's masterpiece, at once so potently attractive to him yet so opposed in many respects to his own musical nature.

On Wednesday at the early evening concert, the Lindsay Quartet gave the first performance of Hugh Wood's Quartet No. 3, a single-movement work assembled from short sections, the score signposted with unattributed literary quotations (from Donne, Herbert and others, I gather). Though these indicate a basic programme of the winter-spring darkness-light, grief-serenity kind, the differing moods in the music are not so developed as set against one another. There are big gestures and big sonorities with generous use of arpeggios and widely spaced accompaniment figures. The result is in renderings that are both dramatic and lyrical, the lighting was muffled, and the lighting was horrid. Despite this, the piece was given a magnificent interpretation by its original cast, and stood revealed as a major work of art.

MacMillan has avoided anything that is conventionally pictorial in his realisation of the Offertorium will be matched by anyone who visits the Tate Gallery's Blake exhibition.

Requiem is a ballet that needs almost to stand by itself in a programme, so deep are the feelings it engenders, so powerful a work of art. MacMillan has avoided anything that is conventionally pictorial in his realisation of the Offertorium will be matched by anyone who visits the Tate Gallery's Blake exhibition.

There was a single performance on Tuesday evening by Rye Stuckey, forbidding set, the grey trapezoid-shaped blocks in the dictatorship of the state elite or goes through this motion capable of curiously swivelling on their axes to enclose small areas, or to represent city walls, fit well into the Aldwych. The lighting, by Terry Hands himself, is often particularly interesting as it selects small areas of special concern. There is a fascinating moment when Coriolanus, standing apart behind the crowd, casts three menacing shadows on the back wall.

There was a single performance on Tuesday evening by Rye Stuckey, forbidding set, the grey trapezoid-shaped blocks in the dictatorship of the state elite or goes through this motion capable of curiously swivelling on their axes to enclose small areas, or to represent city walls, fit well into the Aldwych. The lighting, by Terry Hands himself, is often particularly interesting as it selects small areas of special concern. There is a fascinating moment when Coriolanus, standing apart behind the crowd, casts three menacing shadows on the back wall.

There was a single performance on Tuesday evening by Rye Stuckey, forbidding set, the grey trapezoid-shaped blocks in the dictatorship of the state elite or goes through this motion capable of curiously swivelling on their axes to enclose small areas, or to represent city walls, fit well into the Aldwych. The lighting, by Terry Hands himself, is often particularly interesting as it selects small areas of special concern. There is a fascinating moment when Coriolanus, standing apart behind the crowd, casts three menacing shadows on the back wall.

There was a single performance on Tuesday evening by Rye Stuckey, forbidding set, the grey trapezoid-shaped blocks in the dictatorship of the state elite or goes through this motion capable of curiously swivelling on their axes to enclose small areas, or to represent city walls, fit well into the Aldwych. The lighting, by Terry Hands himself, is often particularly interesting as it selects small areas of special concern. There is a fascinating moment when Coriolanus, standing apart behind the crowd, casts three menacing shadows on the back wall.

There was a single performance on Tuesday evening by Rye Stuckey, forbidding set, the grey trapezoid-shaped blocks in the dictatorship of the state elite or goes through this motion capable of curiously swivelling on their axes to enclose small areas, or to represent city walls, fit well into the Aldwych. The lighting, by Terry Hands himself, is often particularly interesting as it selects small areas of special concern. There is a fascinating moment when Coriolanus, standing apart behind the crowd, casts three menacing shadows on the back wall.

Covent Garden

Pavarotti

by ELIZABETH FORBES

To judge by the applause, Luciano Pavarotti's numerous admirers, who filled Covent Garden to bursting point for the Italian tenor's recital last night, would obviously have preferred their idol to sing nothing but operatic music by Verdi or Donizetti. The excerpts from *La traviata* and *Lucia di Lammermoor* that he included were received with the rapture and

ecstasy usually reserved for pop singers, while less spectacular items of his programme, which gave equal or greater pleasure, did not rate nearly such tremendous ovations.

In the group of classical Italian songs with which the recital opened, Gluck's "Che far senza Euridice?" was sung with too wide a vibrato, but in "Che ero costume," a splendidly ironic piece on the destructiveness of Cupid, from Legrenzi's opera *Eteocle e Polinice* (1675), the tenor's eloquent diction was admirably employed, while a genuine trill set the seal on his interpretation.

Similarly, in the 19th-century songs that followed Beethoven's "In questa tomba oscura" was overloaded with emotion, but the seamless line on which Mr. Pavarotti can thread his words when he wishes is evident both in Donizetti's "Il barcajolo" and Rossini's "La danza."

Two of Liszt's three settings of Petrarch sonnets made up the surprise item of the programme, their very wide range caused no difficulty to this singer, while a certain element of theatricality introduced by the composer was well suited to Mr. Pavarotti's operatic attitude towards even the most intricate of songs.

It was perhaps in a group of songs by Tosti that style and content were most well matched. The sentiments of "Aprile" and "Idylle" sympathetically phrased by a voice of such calibre, and accompanied with the discretion that John Wustman brought to the piano parts, can provide a genuine if transient thrill. In "Morechiare," a more dramatic vocal line tempted the tenor to an overindulgence in tremolo.

Among the extracts from nineteenth-century opera it was neither Alfredo's "De miei bolcioni soliti" from *Traviata*, which was sung without much involvement, nor Edgardo's "Tombe degli avi miei" from *Lucia*, fully committed, but unnecessarily loud, that deserved the most applause; more subtly phrased, interpreted with deeper insight and better disciplined in volume of tone, Nennorino's "Una furtiva lagrima" from *L'elisir d'amore*, sung as an encore, rightly won that accolade. Here again musical content, vocal style and interpretative insight were balanced in proper proportions, and immediately a feat of showmanship became an artistic experience.

Simon Roderick Horn's production also comes from behind the audience and monomaniacal sedition have I

ELIZABETH FORBES

This announcement appears as a matter of record only.

BAKER INTERNATIONAL CORPORATION

U.S. \$20,000,000

Eurodollar Revolving Credit Facility

J. Henry Schroder Wag & Co. Limited

Swiss Bank Corporation (International) Limited

Algemeene Bank Nederland N.V.

Morgan Grenfell & Co. Limited

S.G. Warburg & Co. Ltd.

Manager

J. Henry Schroder Wag & Co. Limited

Coliseum

Requiem

by CLEMENT CRISP

Fauré's *Requiem*, written following the death of his father, may seem a gentle work when compared with the emotionalism of certain other settings, but its response to the text, to the religious matter of the mass for the dead, is no less serious. What MacMillan has done in his realisation of the score is to match at every point Fauré's refinement and subtlety of means without bombast, or hysteria, or penitential wallowing; he finds images and streams of movement that treat with deepest sincerity of the hopes and fears we know in the face of death.

On Wednesday at the early evening concert, the Lindsay Quartet gave the first performance of Hugh Wood's Quartet No. 3, a single-movement work assembled from short sections, the score signposted with unattributed literary quotations (from Donne, Herbert and others, I gather). Though these indicate a basic programme of the winter-spring darkness-light, grief-serenity kind, the differing moods in the music are not so developed as set against one another. There are big gestures and big sonorities with generous use of arpeggios and widely spaced accompaniment figures. The result is in renderings that are both dramatic and lyrical, and we find that the beauty of religious feeling.

MacMillan's procedure is totally other. *Requiem* opens with 50 players shuffling on stage at the introit, their mouths agape as their feet move forward in a manner for eternal rest in the *Offertorium*.

Richard Cragun—gloriously expressive—cries for liberation from the deep pit and the lion's mouth, his body: soaring in supplication and then curled in a knot supported on the ground by his hands. The most beautiful single moment in this beautiful ballet is that when Marcia Hayde is borne on and curves down to Cragun's body, touching him briefly on the shoulder in a fleeting gesture replete with hope. Hayde throughout incarnates the hope of heaven. To the inverted body of Birgit Keil in the *Amoris Dei* she appears yet again as Ford in *Falstaff*. Mr. Ellis is an excellent singer with a compact, well-formed voice and a gift for absolutely clear, rhythmically secure, rapid declamation (invaluable for Giovanni's repertoire) and for the drinking song). There is so far not much range of colour: the singing never disappoints, but it produces no surprises.

In appearance Mr. Brent abets



Reid Anderson and Egon Madsen in 'Requiem'

and acquires *Requiem* for the Royal Ballet—Yolanda Sonnabend's luminous setting must be seen in full: on Friday we were shown only three of the six transfixing pillars that make up the design; and the ballet must be decently lit.

The rest of the programme brought our first view of choreography by one of Stuttgart's new talents, William Forsythe's *Flore*. It is a young man's ballet, full of Balanchinesque fervour. It is brilliant, the score well under Stewart Kershaw on Friday: the Ambrosian Singers were in fine voice, though I disliked both soloists. But when it comes to piece excellent design for the work London again—or when Covent Garden summons up its courage

Glyndebourne

Don Giovanni

by RONALD CRICHTON

The revival of *Don Giovanni* in Peter Hall's now celebrated

production (rehearsed by Stewart Trotter) brings another chance to admire the intelligence and perception of the banding and, with the aid of John Burn's adaptable sets, the admirably continuous flow of the action.

Also, and rather more strongly than before, that Forsythe should show how he can deploy dancers in plotless dances, and he also proves

that it merits the attention of the Royal Society for the Prevention of Cruelty to Audiences. The dance style is harsh: psyches rampage; characters are gartered between other character's thighs; maybe we are seeing Elsinore's team for *It's a Knockout*.

London Philharmonic, Mr. Montgomery supplies some of the Southern languors missing on stage. They are worth it, even at the expense of some tautness in ensemble. Others who return from one or other of the 1977 casts are Rosario Andrade (*Elvira*), Philip Langridge (*Ottavio*), Elizabeth Gale (*Zerlina*) and John Rawnsley (*Masetto*). One development that is not an improvement is the back-lighting for the Act 2 scene with Elvira, Giovanni and the disguised Leporello—last year one could see Leporello's features, now they are lost. But the lighting of the sextet, though it is a little fussy, helps the action while maintaining the fiction of darkness. On Friday the first act quartet (Norfolk) came as near the ideal fusion of word, movement and music as one is likely to see a long way nearer than efforts dignified with the dread term "music theatre."

RONALD CRICHTON

London Philharmonic, Mr. Montgomery supplies some of the Southern languors missing on stage. They are worth it, even at the expense of some tautness in ensemble. Others who return from one or other of the 1977 casts are Rosario Andrade (*Elvira*), Philip Langridge (*Ottavio*), Elizabeth Gale (*Zerlina*) and John Rawnsley (*Masetto*). One development that is not an improvement is the back-lighting for the Act 2 scene with Elvira, Giovanni and the disguised Leporello—last year one could see Leporello's features, now they are lost. But the lighting of the sextet, though it is a little fussy, helps the action while maintaining the fiction of darkness. On Friday the first act quartet (Norfolk) came as near the ideal fusion of word, movement and music as one is likely to see a long way nearer than efforts dignified with the dread term "music theatre."

London Philharmonic, Mr. Montgomery supplies some of the Southern languors missing on stage. They are worth it, even at the expense of some tautness in ensemble. Others who return from one or other of the 1977 casts are Rosario Andrade (*Elvira*), Philip Langridge (*Ottavio*), Elizabeth Gale (*Zerlina*) and John Rawnsley (*Masetto*). One development that is not an improvement is the back-lighting for the Act 2 scene with Elvira, Giovanni and the disguised Leporello—last year one could see Leporello's features, now they are lost. But the lighting of the sextet, though it is a little fussy, helps the action while maintaining the fiction of darkness. On Friday the first act quartet (Norfolk) came as near the ideal fusion of word, movement and music as one is likely to see a long way nearer than efforts dignified with the dread term "music theatre."

London Philharmonic, Mr. Montgomery supplies some of the Southern languors missing on stage. They are worth it, even at the expense of some tautness in ensemble. Others who return from one or other of the 1977 casts are Rosario Andrade (*Elvira*), Philip Langridge (*Ottavio*), Elizabeth Gale (*Zerlina*) and John Rawnsley (*Masetto*). One development that is not an improvement is the back-lighting for the Act 2 scene with Elvira, Giovanni and the disguised Leporello—last year one could see Leporello's features, now they are lost. But the lighting of the sextet, though it is a little fussy, helps the action while maintaining the fiction of darkness. On Friday the first act quartet (Norfolk) came as near the ideal fusion of word, movement and music as one is likely to see a long way nearer than efforts dignified with the dread term "music theatre."

London Philharmonic, Mr. Montgomery supplies some of the Southern languors missing on stage. They are worth it, even at the expense of some tautness in ensemble. Others who return from one or other of the 1977 casts are Rosario Andrade (*Elvira*), Philip Langridge (*Ottavio*), Elizabeth Gale (*Zerlina*) and John Rawnsley (*Masetto*). One development that is not an improvement is the back-lighting for the Act 2 scene with Elvira, Giovanni and the disguised Leporello—last year one could see Leporello's features, now they are lost. But the lighting of the sextet, though it is a little fussy, helps the action while maintaining the fiction of darkness. On Friday the first act quartet (Norfolk) came as near the ideal fusion of word, movement and music as one is likely to see a long way nearer than efforts dignified with the dread term "music theatre."

London Philharmonic, Mr. Montgomery supplies some of the Southern languors missing on stage. They are worth it, even at the expense of some tautness in ensemble. Others who return from one or other of the 1977 casts are Rosario Andrade (*Elvira*), Philip Langridge (*Ottavio*), Elizabeth Gale (*Zerlina*) and John Rawnsley (*Masetto*). One development that is not an improvement is the back-lighting for the Act 2 scene with Elvira, Giovanni and the disguised Leporello—last year one could see Leporello's features, now they are lost. But the lighting of the sextet, though it is a little fussy, helps the action while maintaining the fiction of darkness. On Friday the first act quartet (Norfolk) came as near the ideal fusion of word, movement and music as one is likely to see a long way nearer than efforts dignified with the dread term "music theatre."

London Philharmonic, Mr. Montgomery supplies some of the Southern languors missing on stage. They are worth it, even at the expense of some tautness in ensemble. Others who return from one or other of the 1977 casts are Rosario Andrade (*Elvira*), Philip Langridge (*Ottavio*), Elizabeth Gale (*Zerlina*) and John Rawnsley (*Masetto*). One development that is not an improvement is the back-lighting for the Act 2 scene with Elvira, Giovanni and the disguised Leporello—last year one could see Leporello's features, now they are lost. But the lighting of the sextet, though it is a little fussy, helps the action while maintaining the fiction of darkness. On Friday the first act quartet (Norfolk) came as near the ideal fusion of word, movement and music as one is likely to see a long way nearer than efforts dignified with the dread term "music theatre."

London Philharmonic, Mr. Montgomery supplies some of the Southern languors missing on stage. They are worth it, even at the expense of some tautness in ensemble. Others who return from one or other of the 1977 casts are Rosario Andrade (*Elvira*), Philip Langridge (*Ottavio*), Elizabeth Gale (*Zerlina*) and John Rawnsley (*Masetto*). One

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantime, London PS4. Telex: 88341/2, 883397
Telephone: 01-248 8000

Monday June 5 1978

SALT in the balance

THE PAST few days have seen a distinct toughening in American attitudes towards the Soviet Union. After a period of some confusion last week, U.S. aircraft are now in operation to help protect Zaire from a new invasion and Washington is taking an increasingly firm line in the strategic arms limitation talks with Moscow. The new mood in Washington is partly the result of real concern at the spread of Russian influence in Africa. It also, however, reflects a broader wave of anti-Soviet feeling in the U.S.

Limited war

At the same time, President Carter has reacted to the growing Soviet military build-up by clearly reaffirming the U.S. commitment to defend Western Europe against an attack by the Warsaw Pact. His pledge to use, if necessary, the full force of American military power, including strategic nuclear weapons, at last week's NATO summit, comes at an appropriate moment. There is growing and justifiable concern in the alliance, particularly in Bonn, at the steadily increasing power of medium-range Soviet nuclear weapons targeted on Western Europe not so far covered by the SALT negotiations. It is obviously of the utmost importance that Moscow should not be allowed to gain the impression that a limited war, whether conventional or nuclear, could conceivably be fought in Europe without the risk of triggering the main element of the allied deterrent — the American strategic arsenal.

The strengthening of conventional forces under the alliance's long-term defence programme is no less important. In the first place, it raises the nuclear threshold by prolonging the time in which the West could hope to contain a Warsaw Pact attack by conventional means. In the second, it strengthens the Western position in negotiations with the East. It is no good expecting the Soviet Union to agree to the Western aim of force reductions in Central Europe out of sympathy for NATO's deficiencies. The Washington summit confirmed that the alliance's overall policy must be to opinion in Washington that opposes a new SALT agreement from a position of the lines now being negotiated.

Arms race

Failure to reach an agreement would trigger a new arms race that could only mean a massive waste of valuable resources on both sides. There is no reason why the U.S. should not win such a race, provided Congress made the necessary funds available.

If it did not, resources would have to be diverted to improving the American strategic deterrent at the expense of the conventional build-up endorsed in Washington last week. But there is no avoiding the fact that the Soviet Union's current policies, whether in Africa or on human rights, are playing into the hands of the strong body of economists that President Brezhnev still wants a SALT II agreement and would be unlikely to be responsive to further arms control negotiations if the whole process were called off.

The taxpayers' interest

The committee is now planning to step up the pressure with a debate on its proposals on the floor of the Commons — probably next month. And Mr. English is confident of widespread support among MPs. "The case for monitoring public money is usually regarded as fairly strong by the average taxpayer," he points out.

The Expenditure Committee's case for strengthening the role of the Comptroller was heavily influenced by a visit to the U.S. to see how the General Accounting Office operated. The U.S. office has responsibility for auditing all federal funds except those used by certain federal agencies engaged in bank supervision and in intelligence services. It can chase public money wherever it goes, whether in grants to individual States or subsidies to private companies.

Its audit concentrate heavily on non-financial aspects, with some 90 per cent of resources devoted to management audit and cost benefit analysis. Its staff includes specialists — economists, engineers and statisticians — equipped to handle this approach.

By contrast, the 11th Report of the Expenditure Committee

one. Nor was the establishment deterred by the scale of the required financing.

The inference is clear: if demands for finance are made of our financial institutions, they respond. How can the demand for finance for less glamorous forms of investment in British industry be stimulated? Is the answer a function only of the tax system, and the political climate? "must the pump be primed," as trade union leaders suggest, and must industry's appetite for funds be whetted with forced infusions of pension fund money?

The question whether Britain's institutional funds should be "directed" into British industry has been the key issue underlying the first stage of the Wilson Committee's inquiry. In the latest transcript of the Committee's hearings Lord Roll, the chairman of Warburtons and the chairman of the Committee of Finance for Investment, is pushed quite hard on this question by Committee members.

New demands

The banker's answer is not pure capitalism. He feels that the "Industrial Strategy" and the activities of the Sector Working Parties can help Britain's industrial performance, if only by keeping civil servants, bankers and trades unionists in touch with industrial reality. But he also argues that, as soon as the industrial improvement occurs the financial establishment will react without prompting, to the new demands made of it.

It is a case of official involvement in industry, but hands off the financial sector. Interestingly, this mixed attitude is borne out by the report of the Wilson Committee's working party on North Sea Oil. While it commends the performance of the financial establishment, it certainly does not present the successful exploitation of the North Sea as a triumph for unfettered free enterprise.

Government and the City

THE WILSON Committee has two achievements to its credit. It has prompted the financial establishment to produce a valuable self-portrait of the way the financial institutions work, and it has revealed a consensus of opinion that this establishment is not a bottleneck restricting Britain's industrial growth.

This second achievement has grown wearisome to the ear through constant repetition. A more benign ideological climate has robbed it of impact. Yet it is worth remembering that when the Wilson Committee was conceived, two years ago, the City was still a potential scapegoat and discussion of our financial system's apparent short-comings found a receptive audience.

North Sea oil

A report by a Wilson Committee working party on the financing of North Sea Oil, out today, is an excellent example of the Committee's two achievements. First it is a clear account of a complex subject. It sheds light on the financing of North Sea Oil, yet leaves no doubt as to the magnitude of the problem. In a matter of years, the financial establishment had to gear itself up to finance the equivalent of one quarter of the UK's annual rate of industrial investment — all concentrated in one strange and risky business.

The Committee regarded this as a test case for the financial institutions — since in this area the demand for funds was undoubted and any deficiencies in the supply mechanism would be likely to be revealed. Yet the working party found that the financial system had been equal to the challenge. The system was not risk-averse, for it produced equity finance for situations where the risk of a total loss was very high. It was not interested only in quick return, for it produced finance in the certain knowledge that the period between investment and reward would prove a long

Whitehall v. MPs in the fight over monitoring public money

BY DAVID FREUD

BACKBENCH MPs have published last September said: "Our system of public audit is a campaign to obtain greater control over public expenditure." Their efforts are likely to bring them into sharp conflict both with Ministers and Whitehall.

The campaign is led by the Expenditure Committee, one of the most powerful of the Commons Select Committees. The specific target is the official audit.

The committee wants the official responsible for auditing central government expenditure — the Comptroller and Auditor General — brought more directly under the Commons' control and his powers extended.

It would also like him to go beyond the purely financial and regulatory auditing, on which he concentrates at present, and to take a more positive role in monitoring managerial efficiency in the government bureaucracy.

These changes, if implemented, would clearly give the Commons far greater insight into and control over the Civil Service than it enjoys at present. But the committee claims that its efforts have been hampered by deliberate obstructions placed in its path by Whitehall, and especially the Treasury.

Mr. Michael English, MP Labour chairman of the general sub-committee of the Expenditure Committee, claims that the bureaucracy's tactics have included unnecessary delays and misrepresentation.

The taxpayers' interest

The committee is now planning to step up the pressure with a debate on its proposals on the floor of the Commons — probably next month. And Mr. English is confident of widespread support among MPs. "The case for monitoring public money is usually regarded as fairly strong by the average taxpayer," he points out.

The Expenditure Committee's case for strengthening the role of the Comptroller was heavily influenced by a visit to the U.S. to see how the General Accounting Office operated. The U.S. office has responsibility for auditing all federal funds except those used by certain federal agencies engaged in bank supervision and in intelligence services. It can chase public money wherever it goes, whether in grants to individual States or subsidies to private companies.

Its audit concentrate heavily on non-financial aspects, with some 90 per cent of resources devoted to management audit and cost benefit analysis. Its staff includes specialists — economists, engineers and statisticians — equipped to handle this approach.

By contrast, the 11th Report of the Expenditure Committee



Mr. Michael English, MP, chairman of the general sub-committee of the Expenditure Committee (left) and Sir Douglas Henley, the Comptroller and Auditor General

relationship that has led many source — the Treasury itself. And in April, Mr. English said then: "Our point is that he is not independent now, in that he can be stopped from auditing by the House." However, this provision suggests that with the relationship is not formalised Treasury's authority, he can be stopped from auditing by the House.

The clause reads: "The Comptroller and Auditor General shall examine, if so required by the Treasury and in accordance with any regulations made by the Treasury in that ultimate sense that, like the Exchequer and Audit Department may audit any accounts into which public money goes even if such public money is not the bulk of receipts into such accounts."

The report went on to recommend — again following the U.S. model — that the UK department be empowered to conduct audits of management efficiency and the effectiveness of all those it audited financially. While the department has made some limited movement in this direction in recent years, this would be a radical change in the nature of its work.

The main problem of such a development — as the committee itself pointed out — would be the burden on the current staff, which is simply not equipped to handle the complexities of efficiency audits. Staff members do not possess the wide specialisations seen in the U.S. office, and it is only since 1975 that recruits have been required to be graduates. Until then many were school-leavers.

To solve this difficulty the committee said: "In our opinion the E & AD should change its recruitment policy still further, to provide staff capable of conducting extended audits of the kind we mention above."

These were the main recommendations for enabling the department to monitor the efficiency of the bureaucracy. They were all turned down in the Government's White Paper in March replying to the committee. Similarly, the White Paper rejected proposals for making Sir Douglas and his department part of the staff of Parliament.

It is over this area that the main friction has developed. The department and the Commons' Public Accounts Committee were both set up in the 1860s and there has traditionally been a close relationship between them.

The Comptroller normally reports to the PAC and he pays a great deal of attention to what that committee says. It is a matter of the expenditure of the executive.

This reply, as the committee discovered after lengthy and painstaking research, was based on a mistaken interpretation of the law. Mr. English is blunter.

The Comptroller normally "It was a lie," he said. Under the 1921 Act, Sir Douglas is indeed required to submit to the Comptroller of the Exchequer a report on the state of the

treasury every six months to be published — right up to the normal deadline for such documents — and then it had been less than helpful.

Officially, of course, any White Paper represents the view of Ministers rather than of civil servants. Treasury Ministers were heavily involved in drawing up this reply and naturally would have taken the advice of their department's officials.

Mr. English sees evidence of Treasury self-interest in the drafting of the reply in the fact that all the committee's proposals in the area of audit were rejected except for one. This was for the Prime Minister to consult with the chairman of the PAC before appointing future Comptrollers. "They don't mind limiting the Prime Minister's power of appointment," Mr. English says, "but they don't want to have anyone looking at their own efficiency."

Officials in Whitehall believe that the U.S. office, which with 5,000 staff is 10 times as big as the UK department, has spread itself too thinly. There have been a number of sharp criticisms about the quality of the public spending from Whitehall.

MEN AND MATTERS

Novel gift

for LSE research

The major international companies have had their roles scrutinised by the UN and their activities frequently questioned in the Press. So when a major university accepts £2m from two such companies the inevitable question is whether this will affect the direction of the university's research. When I asked professors at the London School of Economics they said they too had been worried about this, but were certain that they had a no-strings gift in the money they have just been given by the Japanese car manufacturer, Toyota and Japanese suntory.

It was French champagne rather than suntory's products which was being drunk.

As for Professor R. Dahrenstorf, Director of the LSE, he was careful to stress that "Research goes its own ways. Its results cannot be predicted, because it is an exploration of the unknown."

Discussion of the gift with the Japanese companies was initiated last year by Professor Michio Morishima, a Japanese mathematical economist who has been with the LSE since 1970. Students told me that he used to have a reputation for being on the left.

Morishima is now working with Professor Alan Day and Basil Yamey on establishing and preparing the research centre which is to use the income from the gift. Would the gift not discourage research into questions which might cast a shadow on large companies such as Toyota? I asked Day. But he insisted: "If the steering committee at the Centre took the view that there were serious questions to be tested in a year or sometime or . . . has announced that this constitution will remain supreme. An amendment to a section of chapter one says: "Nigeria shall not be returned to their homes when



accordance with the provisions of this constitution."

Nigeria has had four military coups since it became independent in 1960. Still it is good to see people learning from history, though there may be some grumbles from officers who believed that "saving their country" was a fundamental human right.

Football tie

However many Argentinians may have been worrying about whether their country could afford the \$700m which it has spent on hosting the World Cup, the country's cab drivers had long looked forward to some bumper weeks. But it seems that many of these are now ruining the day that football fever came their way.

The London magazine, *Taxi*, informs me that the city authorities in Buenos Aires are so keen that they should make a fine impression on their visitors that the city's cabs have been spruced up too.

Best described as "highly individualistic" the cabs now carry illuminated plastic roof signs on their roofs — many of which work — and registration numbers on their doors. But worse for the drivers has been that, despite the heat, they have been obliged to wear grey or blue shirts and matching ties.

The police, not famed for diplomacy, are said to be enforcing the rules vigorously. *Taxi*, in brotherly sympathy, says the drivers are just waiting for the crowds to go so they can burn their ties.

Rural rides

More in our series on services the State does not want us to know about. The Post Office has replaced its regular mail vans in various rural areas with mini-buses, meaning that when the postmen go to collect mail they can also pick up passengers. These can then be returned to their homes when

Rule by decree

After 12 years of military rule Nigeria has now found a novel way of ensuring stability. Its Constituent Assembly announced this at the end of last week when it decreed that from now onwards there should be no more military coups.

The Assembly which is working out a new constitution in preparation for civil rule next year has also decided that the

Go away closer

Sign at the entrance to a plot of land in a Sussex village: "Private. Church property. Trespassers will be forgiven."

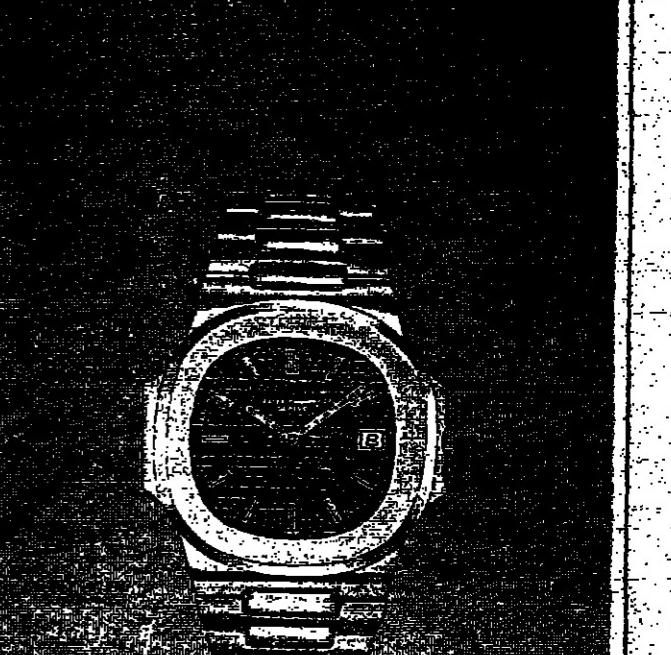
Observer

Every detail of the self-winding Patek Philippe movement is hand-finished. Even the tiniest screw is individually polished. Nickel-chrome-molybdenum steel case is water-resistant to depth of 120 metres (396 feet).

The swinging mass which winds the watch while you wear it incorporates a piece of 21 ct gold-added weight ensures optimum winding efficiency. Amazingly slim Nautilus by Patek Philippe with matching steel bracelet.

Catalogue and list of authorised jewellers from Patek Philippe, Dept F, P.O. Box 35, Maidenhead, Berks SL6 3BQ.

Nautilia
PATEK PHILIPPE



ONE OF THE WORLD'S COSTLIEST WATCHES IS MADE OF STEEL

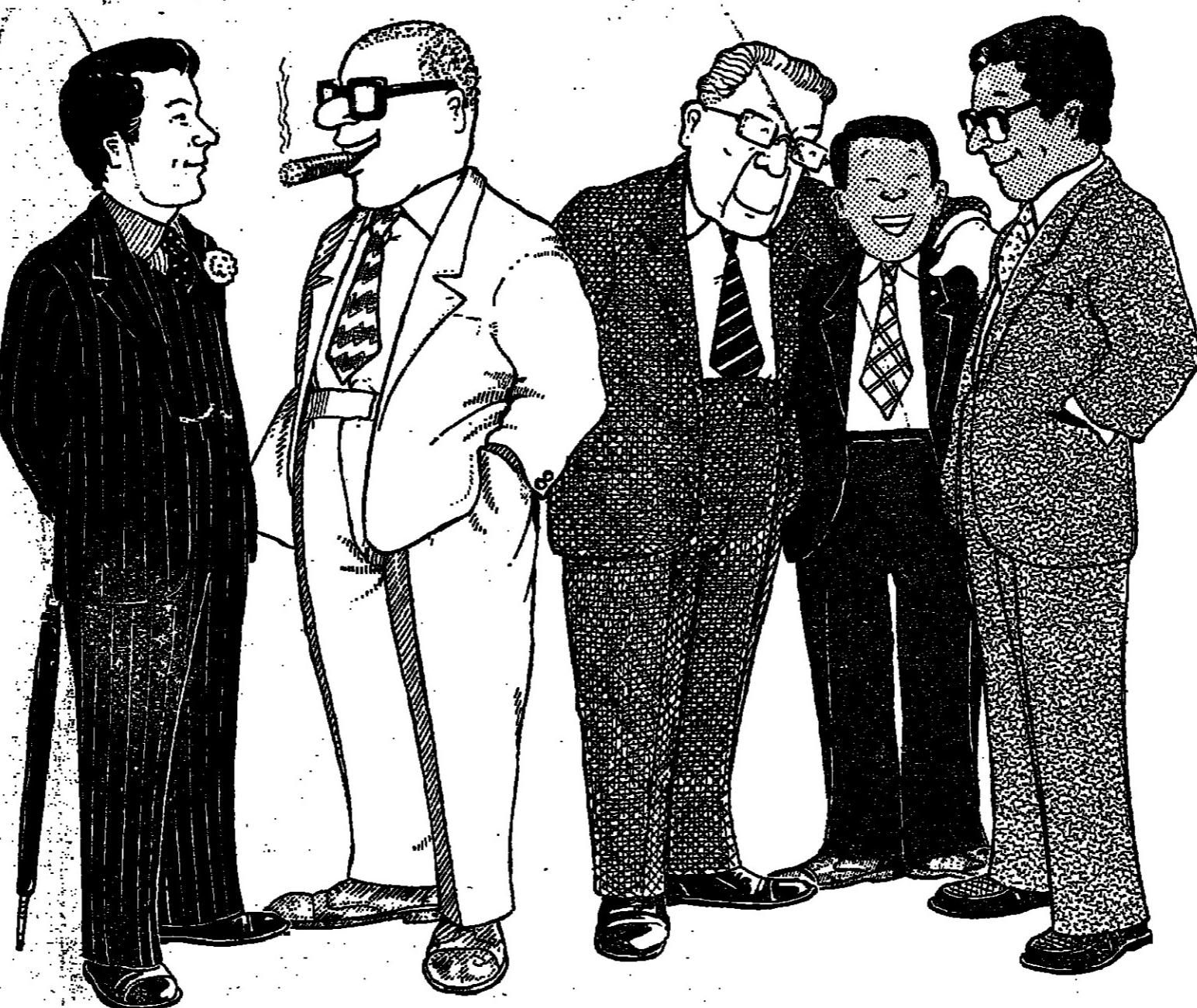
FINANCIAL TIMES SURVEY

Monday June 5 1978

International Property

After the collapse of property markets in the early years of this decade, investors, developers and occupiers have been cautious to say the least. Now there are signs of a revival of interest in Britain, Europe and elsewhere, but because of the virtual standstill in new building prospective purchasers are finding it difficult to find suitable outlets for their money.

When we talk Property in Germany, United States, United Kingdom, Republic of Ireland, Australia, Belgium, France, Holland, Singapore, Malaysia, New Zealand, Jersey and Hong Kong...



...we speak the same language.

**JONES LANG
WOOTTON**
Chartered Surveyors
International Real Estate Consultants

28 Offices in 13 countries

INTERNATIONAL PROPERTY II

Lessons still unlearnt

MONEY IS one of the few truly international languages and as improved communications have made it progressively easier to talk simultaneously in dollars, yen, roubles, or marks, the investment markets of the developed nations have tended to shed their national characteristics. But property is an exception in this drift to uniformity.

While a money broker is equally at home in a City of London dealing room as in its mirror image in Singapore or New York, the property investor remains as dependent on local advice as a Victorian tourist setting out on a grand tour.

In the early 1970s there were plenty of unprepared travellers in the property world. They included the British travellers who set out to repeat their successes in a tightly controlled British market in other but less amenable markets: the U.S. banks who poured cheap finance into developers' pockets; and the Continental funds drawn to back leisure schemes along Spain's Mediterranean coast. All of them eventually provided plenty of work for the receivers and liquidators.

The crash of 1973-74 resulted in endless screeds of critical analysis. Banks rediscovered the age-old tradition that lending short to invest long is a sure route to bankruptcy. Longer-term investing institutions agreed that it helped to look beyond the seemingly high capital returns on overseas developments to the unacceptable high risks involved in markets they did not understand.

Safety

The surviving property companies either blamed the local advice they had earlier ignored or had not bothered to consult, the vagaries of exchange rates they had not investigated in sufficient detail, or acts of God. The latter seem, in retrospect, as valid a reason as any for some of the extraordinary schemes that were cobbled together in the happy days of unreason in the early 1970s.

Remarkably few overseas property investors were locked up — either for their own safety or the peace of mind of their shareholders, pensioners, or buying pressure rather than depositors — after the crash.

It is once again hard to view any of the established property markets in the world without running across enthusiastic advocates of overseas investment. London throngs with U.S. "advisers" keen to sell a slice of the action or a Chicago office scheme to pension fund managers. And as Dutch cash flows into Germany, German marks move back into the U.S. and Spain, and French francs via with their heavyweight Swiss counterparts for Canadian properties, it is quite like old times again.

Scarred

The crash has, however, left scarred memories, and for the time being property investment away from home markets is tempered by a fair degree of caution. This caution is now threatened by a problem common to most of the major financial markets of the world, the problem of too much cash chasing too few institutional quality property investments.

The inflationary growth of investable funds in the hands of the pension funds, and to a lesser extent the insurance companies and their equivalents, forces fund managers into keen competition for good quality property. There has been insufficient new development of prime space since the crash to lead the institutions' increased appetite for these investments.

Fund managers who cannot satisfy their property investment requirements in their home markets are faced with a number of choices. They can in theory cut the property element out of their investment portfolios.

But that would go against the established assumption that property holdings are a basic element of any institutional portfolio, an assumption that justifies an element of price insensitivity in the long-term demand for the best quality properties.

Another way around the supply problem is to finance the development of new buildings — either for their own safety now under way tends to be in or the peace of mind of their shareholders, pensioners, or buying pressure rather than depositors — after the crash.

Five years on it is once again as even the most asset-hungry institutions cannot totally ignore the prospects of eventually filling their new schemes, such as lease-back deals with established owner-occupiers, as well as forward leases to expanding retail with institutions giving their overflow of funds away from home markets remains relatively insignificant in comparison to domestic investments.

Cross-border investment may help to relieve some of the buying pressure generated by the increased weight of investible funds. But we are unlikely to see a repetition of the rash overseas buying programmes of the early 1970s. Quite apart from the salutary lesson of earlier burnt fingers, the European tradition of direct equity participation in commercial, and in some markets residential property, is becoming increasingly common throughout the world. The consequently increased local competition for property investment creates another barrier to incoming funds.

John Brennan
Property Correspondent

Institutionally backed developments are not in themselves sufficiently common or sufficiently sizeable to resolve the supply problem. And that leaves fund managers with the further option to lower their sights and to accept secondary quality properties.

Definitions of "prime" and "secondary" quality properties vary. But it goes against the grain for fund managers to turn from the most obviously top-grade buildings, locations and lease covenants in potentially more troublesome fringe properties, and it is improbable that the supply crisis will be to keep the overseas elements resolved by a sustained slide of most funds relatively low, down the property quality Even in the current search for good investment property these

Where then are the institutions giving their overflow of funds away from home markets to find the necessary migration of funds from one country to another? And although there is an increasingly established international flow of property investment companies, finance, as individual market re-

views in this survey show, the limited size of the Dutch market and the restricted number of prime properties have brought steady downward pressure on yields in most sectors over the past year. Yet whereas the Dutch have become more aggressive operators outside their own borders there are also signs that foreign investors, notably the British and West Germans, are taking an interest in Holland.

Demand for owner-occupied property in the private housing sector shows little sign of abating despite sharp price rises and central bank curbs on credit, and commercial demand is restrained by low levels of investment by companies, mergers and a general reluctance to invest have contributed

to poor demand for most sectors road giving priority to public transport, cyclists and pedestrians are seen as a further threat to the accessibility of the city centre stores.

Office rents have shown little movement in the past year and are now around Fl 250 (\$110) per square metre for good modern offices in the "Randstad," the Amsterdam, Rotterdam, The Hague, Utrecht region. Provincial city rents are around Fl 180. Savills forecasts a rise to Fl 300 in the next few months with the new buildings which come on to the market of a lower, but still highly acceptable standard compared with the boom of 1972-73. Rentals for modern industrial or warehouse space in the "Randstad" are steady around Fl 60-80. Smaller units continue to attract a good deal of interest when offered for sale or lease.

The annual survey of the Dutch property magazine *Vastgoedmarkt* published earlier this year showed more than 3.3m sq metres of space in medium-sized to large commercial buildings on offer compared with 2.9m 12 months before.

The total value was put at Fl 3.55bn (\$1.522bn). A breakdown by sector shows the amount of office space for sale or rent, directly available or under construction in buildings of at least 500 sq metres, had risen to 950,000 sq metres from 900,000. The decline in European float currencies for central bank intervention to be held to a minimum. Dutch interest rates have been falling steadily for the past few months and fears that central bank curbs on credit volume would push them up again have not been realised.

The legislative background continues to hold many uncertainties for business in general and the property market in particular, though. Potentially the most far-reaching, but because of this with perhaps a very limited chance of implementation, are proposals for the introduction of inflation accounting. The business and property world is still digesting the recommendations made in the 350-page Hofstra Report.

Partly because inflation is now less than half the 10 per cent level prevailing when the report was commissioned in 1975 the Government's reaction has been lukewarm. It is also questionable whether any government could afford the unpopularity which some aspects of the proposals would arouse. Holland's largest mortgage bank, Westland-Utrecht, says it is not unduly worried that the plans will ever be implemented, at least in their present form. The fate of other radical reform measures in recent years does not indicate inflation accounting will speedily reach the statute book.

The major measures to date have centred on the indexation of rents and there are now plans to introduce more comprehensive legislation. This will eventually replace the various measures which up to now have placed somewhat ad hoc controls upon the annual indexation of rents, notably the tightening of the system to combat the ravages of inflation. Over the past two years the ceiling on rental increases has been held artificially below the growth in the Belgian cost of living index.

Investors working from a strong currency base like the sels market in real estate certificates has remained at a relatively low pitch. Direct investment in property has always been problematical and in order to widen the investor base a number of financial institutions created this market just over ten years ago. Since then more than 40 issues have been made enabling projects worth BEF 6.5bn, or around £110m, to be undertaken. Almost three-quarters of the issues have related to the financing of distribution companies while the balance have underpinned the leasing of office buildings and shopping centres.

The leasing certificates relate to items of property which in most cases carry a long lease with an option to purchase in favour of the lessee at the end of the operation. This usually relates to property built on specific sites for a specific lessee.

Before 1973 issues of real estate certificates were primarily concerned with leasing operations of this type. Since that year a second category of certificate has come on to the market. These are not covered by long lease contracts. They relate to real estate let or to be let to one or more tenants generally on the basis of a traditional lease of nine years with review options every three years.

The certificates are freely negotiable with prices published regularly in Belgium's financial press. The certificates are not listed on the Brussels Bourse but the major banks centralise their supply and create a secondary market.

Jeffrey Brown

THE NETHERLANDS

Most operators holding off

THERE IS a growing oversupply of the commercial market. The latest economic forecasts give little hope of an immediate improvement.

The important Dutch export sector will increase foreign sales by 3 per cent by volume this year after a decline of 2 per cent in 1977, according to Central Planning Bureau figures. But if world trade grows at the expected rate of 5 per cent this will represent a further loss of foreign markets. Unemployment will remain above 200,000 this year and there are growing fears that Government measures to create new jobs will not be adequate. Private consumption continues to grow at a very slow rate — 3 per cent this year against 4 per cent in 1977 and 4 per cent compared with 16 per cent last year.

Some successes have been achieved, however, in the areas of inflation and wages. The consumer price index, expected to rise only between 4 per cent and 4½ per cent this year (it was 6½ per cent in 1977) and moderate wage rises seen this year are likely to prevail for the next 12 months. Despite recent uncertainty on the foreign exchange markets largely centred on the U.S. dollar, the guilder has remained firm and sufficiently in line with the other major central bank currencies for central bank intervention to be held to a minimum. Dutch interest rates have been falling steadily for the past few months and fears that central bank curbs on credit volume would push them up again have not been realised.

The legislative background continues to hold many uncertainties for business in general and the property market in particular, though. Potentially the most far-reaching, but because of this with perhaps a very limited chance of implementation, are proposals for the introduction of inflation accounting. The business and property world is still digesting the recommendations made in the 350-page Hofstra Report.

Partly because inflation is now less than half the 10 per cent level prevailing when the report was commissioned in 1975 the Government's reaction has been lukewarm. It is also questionable whether any government could afford the unpopularity which some aspects of the proposals would arouse. Holland's largest mortgage bank, Westland-Utrecht, says it is not unduly worried that the plans will ever be implemented, at least in their present form. The fate of other radical reform measures in recent years does not indicate inflation accounting will speedily reach the statute book.

Another major reform proposal of the previous Centre-Left Government — for "excess" profit sharing — is undergoing severe modification at the hands of the five-month-old Centre-Right coalition. Profit sharing has proved a significant damper on the foreign investors' view of Holland over the past two to three years although its actual impact is difficult to quantify in view of the other factors which have also deterred foreign investment. The new Government seems ready to give industry a more generous return on capital before creaming off "excess" profits. The percentages to be paid have also been reduced and, even more significantly, any transfers to the "excess" profit fund can be set against corporation tax.

How does the market look from pavement level? In its spring survey of the commercial property market in Holland, the Amsterdam office of Savills reports much discussion of, and interest in, commercial space but relatively few transactions. Purchasers and tenants appear to be waiting for a turn in the economic tide before coming back into the market. On the supply side, developers have done a lot of preliminary work on schemes, in anticipation of demand. In the meantime some small and medium-sized companies, having failed to find what they need on the market, have started development projects of their own.

The shop market has been particularly active with the main shopping streets of Amsterdam now having spread to many provincial towns. However, a question mark is raised by the decision of W. H. Smith and the Dutch publisher Elsevier to pull out of their joint retailing venture, Sims, which sells books, stationery and leisure articles, when it failed to find a market in Holland. It is one of the many UK retailers in Amsterdam's prime shopping street, the Kalverstraat. The situation in Amsterdam is of growing concern to many businesses. Plans to surround the centre with an inner ring

BELGIUM

Optimism returning

The independent professionals



The independent Partnership of Healey & Baker provides a comprehensive Estate Agency, and Consultancy practice in Commercial Real Estate throughout the United Kingdom, the Republic of Ireland, France, Belgium, Holland, and the Channel Isles. The service includes all aspects of Real Estate Investment, Finance, Management, Valuation, Town Planning, Development, Consultancy and Agency.

Healey & Baker
Established 1820 in London
29 St. George Street, Hanover Square,
London W1A 3BG 01-629 9292
CITY OF LONDON 116 OLD BROAD STREET LONDON EC2N 1AR

SAVILLS
International Property Consultants

Evolution

A feature of the overall property market is the degree of control that has begun to creep into the system over the past year or so. This should lead to a more orderly evolution of a property market that hitherto has been a classic example of free market forces.

The major measures to date have centred on the indexation of rents and there are now plans to introduce more comprehensive legislation.

This will eventually replace the various measures which up to now have placed somewhat ad hoc controls upon the annual indexation of rents, notably the tightening of the system to combat the ravages of inflation.

Over the past two years the ceiling on rental increases has been held artificially below the growth in the Belgian cost of living index.

Investors working from a strong currency base like the sels market in real estate certificates has remained at a relatively low pitch. Direct investment in property has always been problematical and in order to widen the investor base a number of financial institutions created this market just over ten years ago. Since then more than 40 issues have been made enabling projects worth BEF 6.5bn, or around £110m, to be undertaken. Almost three-quarters of the issues have related to the financing of distribution companies while the balance have underpinned the leasing of office buildings and shopping centres.

The leasing certificates relate to items of property which in most cases carry a long lease with an option to purchase in favour of the lessee at the end of the operation. This usually relates to property built on specific sites for a specific lessee.

Before 1973 issues of real estate certificates were primarily concerned with leasing operations of this type. Since that year a second category of certificate has come on to the market. These are not covered by long lease contracts. They relate to real estate let or to be let to one or more tenants generally on the basis of a traditional lease of nine years with review options every three years.

The certificates are freely negotiable with prices published regularly in Belgium's financial press. The certificates are not listed on the Brussels Bourse but the major banks centralise their supply and create a secondary market.

Jeffrey Brown

Charles Batchelor
Amsterdam Correspondent

Settled conditions

NOW THAT the elections are part of history a more favourable business climate has settled over France. Politically France may now be able to look forward to a period of some stability. However, it is debatable whether the French elections really did as much of an effect on the property market as some claim. Institutions, which normally invest in property, probably had few alternatives but to continue investing in France and individuals may well have considered property as good a place as any to invest.

So investment may have suffered only a little in the run-up to the elections; but letting was in worse straits. There was a clear downturn in the letting market which was accompanied by a reduction in the amount of completed properties coming into the market.

However, politically France is now looking on a firmer footing. The French economy has been slow to recover. Industrial production improved in 1976 after the fall in 1975 and last year saw a very unimpressive performance.

Yet the analysts still talk of a continuing recovery. Foreign trade has picked up and unemployment has declined, while the rate of inflation is not expected to be much above the 9 per cent of 1977. So the economic background is not gloomy.

Explosion

Meanwhile, the property market is finally showing signs of having pulled itself out of the problems caused by the over-enthusiastic development programmes of the early 1970s.

This property explosion, which was largely British led, was caused by a number of overseas developers becoming hooked on the French market's potential.

This resulted in a substantial stock of properties and not surprisingly when the 1974 recession came along a number of developers caught quite a influence over some development companies and estate agents.

However, by and large, this stock of properties has now been taken up. It is understood in Jones Lang Wootton recently cited a case to illustrate this point. JLW around 700,000 square metres acquired a scheme for UK which was well ahead of the investor from a French agent figures recorded for 1976, of acting on behalf of a developer 500,000 square metres. Some belonging to the same banking group, part of the scheme being port. Obviously communication

there is a shortage of suitable investment properties.

The most commonly quoted figure for the amount of office space available around Paris is 1m sq m, and this represents broadly by saying that land in the new towns where the basis of property tenure is equivalent to freehold excess supply may take a few years to disappear. And, of co-ownership can be equated to the Paris area is by a form of flying freehold, far the most important for the property market.

A concentration of investment in a country's capital is fairly common worldwide, but in France the centralised nature of business activities is far greater than in any other European country.

The population of the Paris region is almost a fifth of the entire country, so not surprisingly most of the commercial development in recent years has been concentrated around Paris.

In France, rent increases for residential premises are subject to government control. This year increases will be limited to 6 per cent for revisions due before the beginning of next month and to 5 per cent of the construction index for those falling due in the second half of the year.

Investment demand has been reasonably good over the past year—Dutch pension funds were evidently active in the latter half of 1977. Most of the interest is centred around commercial and industrial property where the prime yields are considerably higher than on residential developments.

Yields

As we have seen, take-up of office space has been increasing in the Paris area, and probably most investors will agree that the market now offers very few bargain buys. Office yields in Paris in the central area are mainly around 8 per cent while some of the top properties are nearer 7 per cent. Suburban offices offer a little better with prime yields of around 9 to 10 per cent. However, with the possibility of a shortage of office space in the central areas, rental levels could harden, unless there are any significant increases in supply.

Turning to industrial properties the main areas around Paris are in the north between the capital and Roissy airport and in the south around Orly airport. Obviously communication

subsequently resold to an investment subsidiary of the same banking group."

As for French property law this can be summed up very broadly by saying that land gradually being taken up there is still sufficient outlet space to deter most potential investors.

There has not been much movement in rental levels over the past year and broadly speaking yields in the region of 10 to 12 per cent.

Historically shop rents have been protected and ownership of freeholds do not change much. So there has not been a lot of interest for investors in shopping areas apart from a few one or three years. Whether

annual or every three years, rent reviews are based upon a published construction index,

which showed a total rise of under 8 per cent in 1977 compared with 14 per cent in 1976.

In France, rent increases for residential premises are subject to government control. This year increases will be limited to 6 per cent for revisions due before the beginning of next month and to 5 per cent of the construction index for those falling due in the second half of the year.

Investment demand has been reasonably good over the past year—Dutch pension funds were evidently active in the latter half of 1977. Most of the interest is centred around commercial and industrial property where the prime yields are considerably higher than on residential developments.

W. GERMANY

Slow return of confidence

CONFIDENCE IS returning to the property market in West Germany but it is a slow process. The key influence is clearly economic activity which remains sluggish along with the world trend and at this stage few observers are prepared to predict the actual timing of the next upsurge in the property cycle.

Where they can be pinpointed, overall patterns suggest that the mood among investors, developers and estate agents is one of cautious optimism. The market has been stable for some months and there is a growing consensus that the bottom has been reached. At the same time, the West German economy, although flat, remains one of the strongest in the world.

Like so many property markets in Europe, at the centre of Germany, its status as the country's banking capital and its major airport, Frankfurt, is perhaps the prime area for office development. One

Düsseldorf, Cologne, Munich, having stood empty since its completion at the end of last year, which differ in character and in year.

According to Slough, whose fixed assets in Europe now amount to about an eighth of the group total, the market in industrial property in Germany has been holding level for some six to nine months.

The company recently acquired an additional six acres of land adjacent to its Cologne site on which it will build a complex of some 65,000 sq ft before the end of 1978 (65 per cent of the property is pre-let).

One of the attractions of Germany to a group like Slough is the favourable cost of money. Rates of interest may have hardened marginally in recent weeks—partly due to the onset of the summer tax paying season—but the economics of borrowing in Germany are probably the most favourable in the world, Switzerland apart. During the first quarter of 1978 mortgage lending by the savings institutions was running almost 40 per cent up on 1977; and the major commercial banks, which have been hit especially hard by bad debts following the property caution of their industrial

Location

Given its geographic location at the centre of Germany, its status as the country's banking capital and its major airport, Frankfurt, is perhaps the prime area for office development. One

crisis of 1973 and 1974, have brothers. Shop expansion is recently been edging up their widespread facilities to mortgages of Jones Lang and Wootton make between 60 per cent and 70 per cent.

In the eyes of the major estate agents the property market in Germany has already begun to recover. Weatherall Green and Smith cite the activity of UK institutions as well as a strong retail market, while Jones Lang and Wootton reckon to have noticed a steady return of confidence over the past 12 months.

Weatherall points out although some overseas investment that the Government came up with the "Plan Barre" in 1976. This earmarked Government funds for use in aiding house construction, industrial properties and public sector construction. This policy is still important for the property market.

Terry Garrett

Without any doubt, however, the most sought after types of investment are pure office investments and shops, or mixed shops and offices, provided the location is good.

Speculative

Investor interest is by no means limited to what might be regarded as first-class localities. Both property funds and insurance companies are prepared to purchase property in relatively secondary areas provided yield values are favourable.

Stimulated by the interest rate structure in Germany which is now at its lowest for something like 20 years, the demand for good investment propositions is considerably in excess of supply. For this reason, the agents suggest, institutions are beginning to turn to more speculative situations such as the purchase of empty buildings, forward commitment purchases and in some cases, development. It is clear, however, that not all German institutions are thus daring.

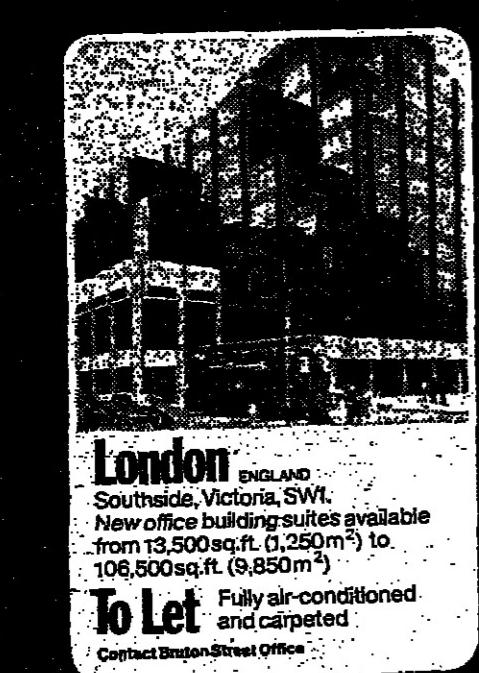
A good illustration of this can be seen in the BIG tower where the agents were involved in letting some 12,000 square metres of accommodation some months before the block was completed. In such prime, air-conditioned space rents have in certain instances moved up in 1978 27 per square metre, and have been even higher for small areas.

The agents see the industrial market as remaining quiet. They point out that attractive interest rates have meant that the preponderance of German industry wishing to invest in new premises will these days tend to build its own accommodation rather than lease. As a result very few speculative industrial schemes are being carried out. Conversely the retail market has "remained firm." Despite the prevailing sluggishness of the official retail sales statistics in Germany, the country's retailers show none of the

Jeffrey Brown

The opened property funds to emerge intact from the recession are once more beginning to flex their buying muscles. In the past both the closed and open-ended funds have tended not to differentiate between investment in residential and commercial property: they now show a marked preference for the commercial end of the market where there is no rental control.

Commercial and Industrial Properties - Worldwide



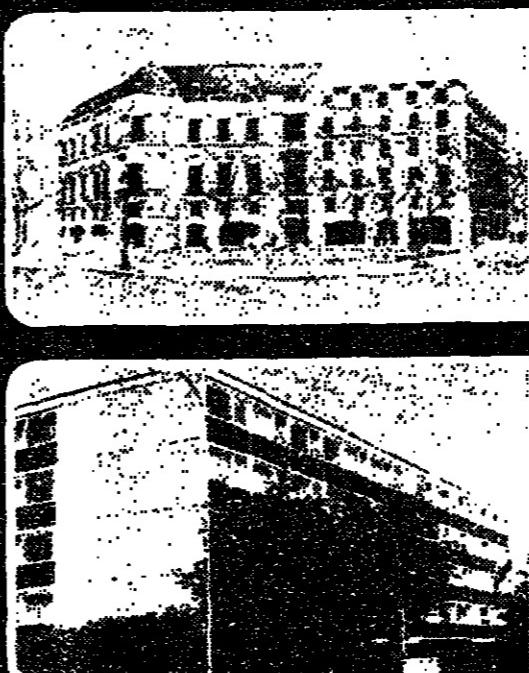
London ENGLAND
Southside, Victoria, SW1.
New office buildings suites available from 13,500 sq ft (1,250 m²) to 106,500 sq ft (9,850 m²)
To Let Fully air-conditioned and carpeted
Contact Bruton Street Office



Brussels BELGIUM
Tour Leopold.
Fully air-conditioned office accommodation of 187,150 sq ft (17,395 m²)
To Let Carparking. Fitted carpets.
Contact Brussels Office

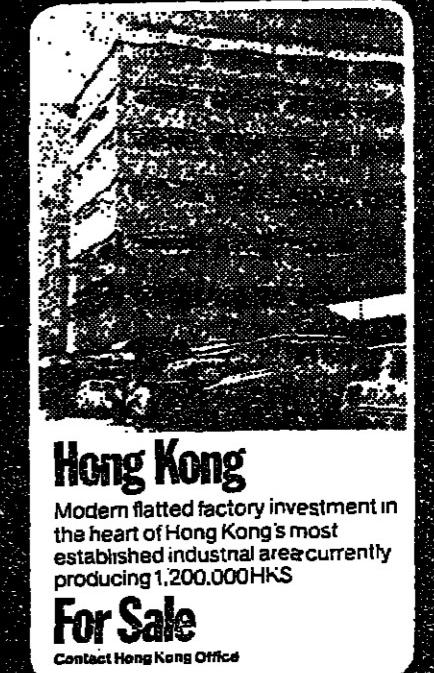


Amsterdam HOLLAND
Aurora Building.
22,000 sq ft (2,000 m²) office accommodation and 10,760 sq ft (1,000 m²) showroom accommodation
To Let
Contact Amsterdam Office

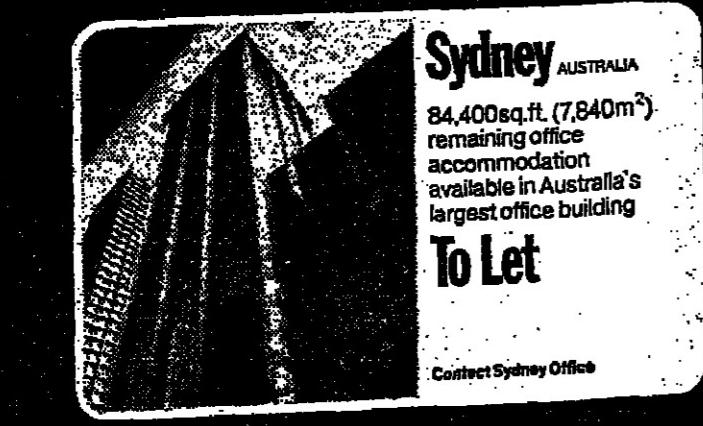


Paris FRANCE
Elysées Rond Point.
324,000 sq ft (30,106 m²) of prestige office accommodation on six levels. 2 levels of de luxe shopping, restaurants and underground car parking.
To Let
Contact Parts Office

Fribourg SWITZERLAND
29,380 sq ft (2,729 m²) office property investment
For Sale
Contact Bruton Street Office



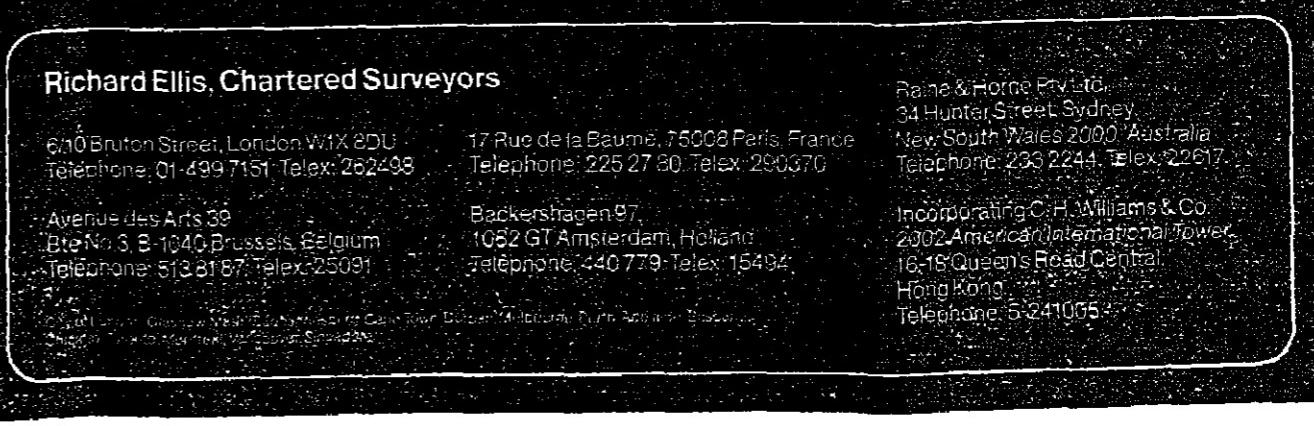
Hong Kong
Modern flatted factory investment in the heart of Hong Kong's most established industrial area currently producing 1,200,000 HK\$
For Sale
Contact Hong Kong Office



Sydney AUSTRALIA
84,400 sq ft (7,840 m²) remaining office accommodation available in Australia's largest office building
To Let
Contact Sydney Office



Buenos Aires ARGENTINA
Edificio Houlder
25 De Mayo 499.
For Sale equivalent freehold office building as a whole or will divide 70,770 sq ft (6,575 m²) centre main business area. Ideal banking/insurance. 4 million US\$
Contact Bruton Street Office



Richard Ellis, Chartered Surveyors
610 Bruton Street, London W1X 8DU
Telephone: 01-4997151 Telex: 262493
Avenue des Arts 32
B-1040 Brussels, Belgium
Telephone: 5138157 Telex: 250091
Backsteeg 97,
1082 GT Amsterdam, Holland
Telephone: 440779 Telex: 18494
Incorporating C.H. Williams & Co.
2002 American International Tower,
16-18 Queen's Road Central,
Hong Kong
Telephone: 5241055

Richard Ellis
International Property Consultants

IRELAND

**QUILTER HILTON
GOODISON & CO.
STOCKBROKERS**

**Investment Property
Service**

We started our property service in 1962.

We have provided the service to institutional investors day by day, week by week, in good times and bad. It is a continuing and comprehensive commentary on the property industry and embraces detailed studies of more than forty listed companies.

We also act as a corporate adviser to a number of listed and unlisted property companies.

If you would like to know more about investing in listed property shares or about how we can help your company, whether it is listed or unlisted, please write to us or telephone.

MEMBERS OF THE STOCK EXCHANGE

**Quilter Hilton Goodison & Co.
Garrard House
31-35 Gresham Street
LONDON EC2V 7LH
Telephone: 01-600 4177**

**SHORT TERM
BUILDING AND BRIDGING FINANCE**

on Industrial, Commercial and Residential Developments at Prime Rates

Apply to:

HIRSCH INTERNATIONAL LIMITED
13 Berkeley Street, London, W1
01-629-5051 Telex: 28374
Europe's Leading Financial Consultants

**CANADIAN AND U.S.A.
INCOME PROPERTIES**

Prime, now 100% let shopping centres, office buildings and warehouses in Canada and U.S.A. (1973). Good yields on equity. Outright sale or sale-leaseback. References in London June 15th.

EARLE PULLAN REAL ESTATE LTD.,

141 Adelaide St. W., Toronto, Canada (416) 366-5277

ABDULRAHMAN EBRAHIM ALMOOSA EST.

Construction Contractors and General Trading

IMPORTING, STOCKING, MARKETING AND DISTRIBUTING PRODUCTS OF CONSTRUCTION EQUIPMENT AND MATERIALS

Representing 25 world wide manufacturers—

*Interested in representing manufacturers,
sponsoring or joint venture with construction
companies in the state of Bahrain, Saudi Arabia
and The Gulf*

P.O. Box 1058, Manama, Bahrain

Telex: 8387 Amoosa GJ Telephone: Office 54650 Residence: 67318

Active interest in Dublin

ANY REVIEW of the property situation in the Republic of Ireland begins and virtually ends in the Dublin area—but not quite. The country can be divided into three parts—Dublin, the south and the rest. Activity is picking up in the south of the country, but the rest remains virtually unchanged. It is in the Dublin area where it is all happening and there is much that is going on.

Activity in property is always very much tied in with the state of the country's economy. The Irish economy has turned round from the depressed situation and there is an air of increased confidence. This has resulted in the demand for office accommodation stepping up considerably.

much coming from Government requirements, and the supply is just not there.

All prime office space has now been taken up and the demand has resulted in rents exceeding £4 per square foot, a level long regarded as being the upper limit for rents. Mr. Michael Lucey, the property investment manager of Irish Life, the largest financial institution in the Republic, reports that all space in the Irish Life Centre has now been let, much of it at rents above £4. He confirms that there is very little space coming onto the market—and only 50,000 square feet of new space in the pipeline.

The Irish Life has also a revised development nearby in Adelaide Road and this site does include some residential development. The company has never turned down investment in residential property, unlike most UK financial institutions which eschew such investments. But it is held in the main life fund of the company, not in any specialist property or mixed funds.

This drying up of a supply has naturally caused values of existing office properties to rise steeply. Yields have now fallen to the 6 to 6½ per cent range, and at the moment that yield is purely nominal since there are very few office properties up for sale. This is likely to continue until the new developments come on stream from about 1980. But it needs to be emphasised that demand will be strong for the next decade.

Much of the planning permission already granted was for the old style monster creations of 100,000 sq ft or more with massive car parking facilities incorporated in the development. This type of an annual demand for about 400,000 square feet of space

able, neither is it accepted by half as high again as the Moore Street, including a covered mall plus car park and 200,000 square foot of shopping space. The project is estimated to cost in the region of £15m to £20m. Rents of £30 per square foot are now obtainable in Henry Street.

In the south, Cork is now occupying a lot of attention. The entry in the EEC has meant prosperity for Ireland's farming community and the benefits have come through most to the farmers in the South. The area has become prosperous on this account alone.

But now is added the prospect of oil being discovered on this part of the coast and the speculators have started to move into the area in anticipation of an oil boom. Cork could become another Aberdeen if the hopes of oil are realised. Already it has a development scheme in hand which contributes to its becoming difficult to get pro-

perty in Cork itself. A new promise of this area has not been completely fulfilled. It was expected that this would be very tapped out in Cork, providing a new area. These expectations received a nasty setback when the Dutch company Ferencia pulled out of its operations following a prolonged strike. This does not mean that the development is a complete write-off, but it was a serious reverse to expectations.

Eric Short

EAST EUROPE

Emphasis on industrial projects

PROPERTY development within of economic growth in the countries of the Comecon bloc is unlikely to try of necessity thrown the bulk of investment into the West in the foreseeable future. Property developments in the Communist countries are indications that this bias has been eased over the past couple of years. This has meant further plans to extend industrialisation or tourism. As such they are more cautiously planned in one third of the Gross National Product. Current plans are for their initial stages than would be the case in the West where an increase of 20 per cent in agricultural production, with an increase of some 400,000 hectares in irrigated farmland.

Developments in the tourist sector, however, will clearly play a major role in property activity. The State Committee for Tourism is laying great stress in the coming five-year period on developments in the Black Sea areas, where it sees significance in many East European countries, is difficult to assess.

Much of the success of tourist development must rest upon relative cost, which at the moment is the major attraction or facilities and tourist infrastructure. But perhaps the most interesting developments rely.

At present East Europe has the reputation in the West of offering great opportunities for the development of reasonably priced tourist opportunities, but this may not be as true as generally believed. Much will depend on the experience of Western visitors to the Olympic Games in Moscow in 1980. An expensive experience here could cool off prospects for a number of tourist developments elsewhere in Eastern Europe.

In Russia, the impetus supplied by the Games has been all the greater because of the relative scarcity of the more basic elements in property superstructure, such as hotels, residential complexes for visiting athletes and even road systems on the scale needed to accommodate the Games.

While there have not been any firm public estimates of the number of visitors expected to visit Moscow, the stress laid by the authorities on new building emphasises the significance of the event for the industry.

Western groups have been involved in the contracts for massive improvements to Moscow's catering and communication facilities. Some sources indicate that hotel accommodation in the Russian capital will be quadrupled by the opening of the 1980 season.

Moreover, the cost of extensions to the Moscow road system and other improvements within the city has been assessed at around the equivalent of £240m.

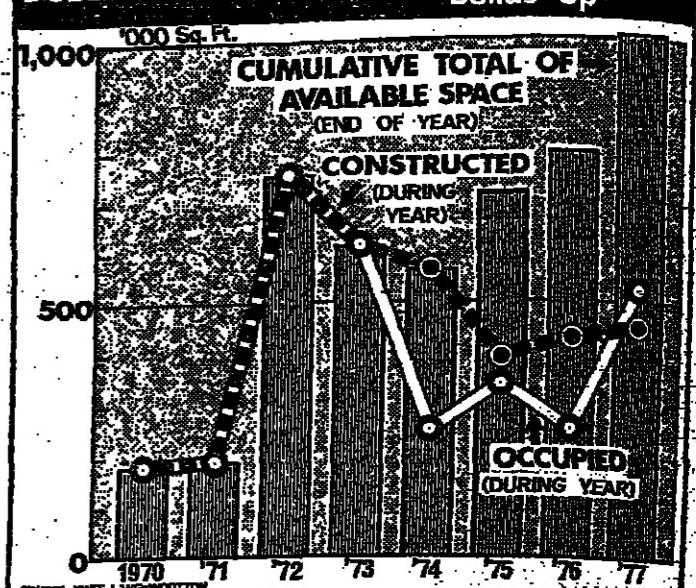
Boost

Nor has the boost to Russian tourism from the Games been restricted to Moscow. Property developments in the form of camp sites or motels are planned in other major cities such as Leningrad, Yalta, Erevan and Sochi.

Seaside resorts on the Black Sea are confidently expecting to double their number of visitors and there have been many projects to develop new resorts. In a nation still regarded as a newcomer to world tourism, there can be no doubt that the Games have opened up significant opportunities within the property and construction industries.

Tourist developments are likely to continue to be a major feature of the property sector in Bulgaria. During the past two decades the powerful rate

DUBLIN'S OFFICE MARKET: The Oversupply Builds Up



One possibly significant in which Western, and specifically UK, co-operation would be development for the future is welcomed. A major opportunity in attracting a loan of \$22m from an Arab syndicate Budapest airport. But plans for While not large in itself, the an irrigation project in the loan is thought to be the pilot Tisza region and also agricultural project for much larger loans. tural development elsewhere in In view of the evident desire the country will also play a prominent part in developments in in East Germany, the Arab loan the immediate future.

It may safely be said then that there are still many opportunities for development in

East Europe, despite the general recession. The liveliest prospects for the immediate future the West in terms of property will probably remain in the developments, especially as of industrial field. But the success these opportunities will cover a wider range than the purely industrial sector.

A meeting last summer of the UK-Hungarian Joint Commission spotlighted several areas

By a Correspondent

PORT LA GALERE on the Riviera

A unique village perfectly sited

In 60 acres of fragrant pine-lands and gardens on the sea's edge looking out over the Bay of Cannes, the property includes 2 club houses, 2 swimming pools, several beaches, a 180-berth private harbour. Fishing, sailing, water skiing, diving and many other sports are available. And with many other services for a carefree and leisurely life.

A first class investment.

30 minutes by motorway from

Nice International Airport

Houses in clusters with 3-6 rooms

JOHN ARTHUR & TIFFEN

14, Bd HAUSMANN PARIS 8^e

766.04.66

On site: Théoule (Alpes Maritimes)

Tel. (93) 90.30.48

London Office

Ring 01-834 1814 for further information on POTTERY, SOUTH WALES 150,000 sq ft, 57 Acre freehold site, FOR SALE OR TO LET.

EAST-MOLESEY, SURREY 24,500 sq ft, 5.75 Acre freehold site, FOR SALE OR TO LET.

BURSTON, WEST HAMPSHIRE 155,000 sq ft, 10.5 Acre freehold site, FOR SALE OR TO LET.

4 BURE, TO LET, Long Lease.

SHOP INVESTMENT — POTTER BAR, MIDDLESEX. Parts of shop units available, 20,000 sq ft, 1.5 Acre freehold site, FOR SALE. Freehold.

LINE OF LIGHT INDUSTRIAL BUILDINGS, HEART OF CITY — LONDON WALL, LONDON E.C.2. Freehold site, self-contained ex-banking offices, formerly occupied by the Bank of England.

MITCHAM, SURREY, 5.75 acre plot, 10,480 sq ft, 2.5 Acre freehold site, FOR SALE OR TO LET.

Long Lease.

Manchester Office

Ring 061-834 1814 for further information on SKELMERSDALE, LANCS. Modern factory site, 624,000 sq ft, 10.5 Acre freehold site, FOR SALE.

BRADFORD, YORKSHIRE. Modern office/laboratory/warehouse, 23,500 sq ft, FOR SALE.

WALKDEN, WORCESTER, LANCS. TO LET. Last remaining new unit.

ALDRETH, SHAW, MANCHESTER, TO LET. 14,675 sq ft, 3.5 Acre freehold site, 2.5 Acre freehold site, FOR SALE. Close to Jct 22.

Plant and Machinery Valuers, Auctioneers, Loss Assessors, Estate Agents.

Edward Rushton & Son & Netter

10 Carlos Place, Grosvenor Square, London W1V 8HA. Tel. 01-433 0707.

Kings Court, Exchange Street, Manchester M2 2AX. Tel. 061-594 1814.

About Grimsby, Hull and Overseas.

Jill Jones

Sluggish undercurrent

THE PROPERTY market in entire property industry. But recent inflation-inspired standards has remained under the SGI, with all its difficulties, was dards has rocketed. Well after shadow cast by the other sectors across Europe's largest property end of the war, a site large enough to accommodate a persistent recession in man-made survival is of central import. Holiday chalet could have been manufacturing industry has shifted demand for offices or securities. Indeed the past fortunes of Costa Smeralda for a mere 3p equivalent per square metre, already well developed over the mirror of the fortunes of the past century. Italy had not been Italian property industry, able to rely on the boom in During the early 70s investors fled from inflation (a maintain the momentum in the terror in that country rather property industry elsewhere in earlier than it was elsewhere) the Mediterranean or North and from a collapsing currency African countries.

(also a phenomenon which appeared in Italy before the rapid development of the Arab world, which has often pro-peopled countries) and followed a safety net for other sections of European industry has worked to the detriment of the Italian property sector.

Nothing of course is so solid as a piece of land. But on the revival in commercial property other hand nothing is so immovable as a piece of land. With little indication of a development at home, Italian construction companies have concentrated on opportunities out of the market and the asset overseas, and have tended to having become too expensive to draw after them such resources develop, proves also to be too of skill and finance as unwanted to find a buyer at might perhaps have been made any price.

The new SGI intends, while maintaining its expansion into overseas ventures at present ranging from North Africa to South America to base its recovery on the domestic population. The inability of the South of Italy to share in this world tourism phenomena has been one of the most disappointing features of the past decade. Property speculation in the South, and there was plenty of that in the sixties, concentrated on optimistic commercial prospects in the major towns. Such developments have been largely halted by the general recession in the economy. Outside Naples or the Sorrento peninsula there is still a lack of impetus for tourist development, where Italian entrepreneurs can still under take allowing for information, these details confirm the sluggishness of new business during the period. The Government hoped to stimulate construction activity but this policy must take its place in the queue cut the competition could lead to other pressing industrial problems. Until such measures take effect it is hard to see how the property sector can be rescued from its present malaise.

Tourism, although not always the mainstay of the property industry, has provided some of the rescue of Societa Generale Immobiliare-Sogene (SGI) by 39 Italian banks. The past four years had seen the problems of the group, whose debts have been estimated at £500,000m, been in Sardinia, where the loom threateningly over the property values even by all the

in providing finance for property — as they do largely for the offing by which minimum and maximum lending limits for each investment category may be imposed.

This factor may have serious implications for the latest hopes of reviving the construction — These restrictions would also be imposed on the life assurance companies, although these be firm proposals to extend the in fact play a subdued role in official control of insurance Italy — attracting only 2 per cent company investment in order to household savings. The snaz direct a major share of such from the point of view of the investment towards popular insurance industry, is that the life companies have attracted

Many banking sources in fact take a relatively optimistic view of the property sector. They point out that the Government's stiff dose of economic medicine has begun to re-establish the nation's self-confidence and that, with the financial institutions standing up well against the general recession, it could be that the domestic property market, via the housing sector, which will have first priority in political initiatives to rebuild the economy.

though prices are not moving, sell situation does arise. One the number of sales is creeping such was the recent sale of the 13-storey headquarters of the collapsed Glen Anil property group. Located just off the city centre this is a well-built modern building with a rental income after expenses but before interest of R200,000 a year. But that came from only

78 per cent of the space. With broking and valuing firm, to be 22 per cent, let there was potential for rental growth. It only around 70,000 sq metres a year. In Cape Town there is more than 100,000 sq metres of surplus office space; in Durban it is closer to 200,000 sq giving a yield of around 13 per cent.

The results are not surprising — first, no new building; second, a rent price war. It is a tenant's market and fancy asking rents are only for the glossy brochures. New high grade vacant office space can now be had in central Johannesburg at R320 per sq metre per month and upwards.

Even Carlton Centre, a highly desirable location, now battles to attain its asking rents of R6.46 a sq metre for small areas and R5.92 a sq metre for large areas whenever vacated space comes on the market.

Anglo-American, one of SA's biggest landlords, obtained R3.23 a sq metre for new air-conditioned office space in Johannesburg in 1972 and is now getting only R4.50 for similar space, an increase of 39 per cent. This sounds reasonable during a recession. But in the same period the consumer price index has climbed by more than 70 per cent.

Shop leases have not fared better. Three and five-year shop leases now expiring are being renewed at discounts of up to 30 per cent, says Dunlop Heywood. High Street shop turnovers are not rising. In the shopping centres now popping up all over South Africa turnovers are better and landlords have the additional advantage of cheap ground cost and lower taxes. But the market now feels that the country is already overbuilt with suburban shopping centres. Six hypermarkets have been built and another six, or seven, are on the drawing boards. Later this year South Africa's first really big U.S.-style centre opens on the eastern edge of Johannesburg. Called Eastgate, it will have over 100,000 sq metres of floor space (1m sq ft).

The office letting troubles are naturally reflected in the market prices for investment properties. Very few change hands now — part that may be because of the phased nature of the de-control measures (over five years ago) are selling at under 10 per cent a year for the seller has to leave some time in the South African two years for de-controlled money tied up in the form of property market has come and premises, but there is another second mortgage bond granted go with hardly a ripple. In and more fundamental reason to the buyer. Agents reckon April the Government at last for the slow reaction. It is about 2,000 new homes are announced the beginning of the country's 20-year-old rent control apparatus. The simply that the property market standing unsold on the Witwatersrand complex surrounding Johannesburg.

In the last few weeks agents

have been talking about faint hints of a spurt in the housing market. The March budget did away at the standard arguments about how control distorts the market and how its abolition would lead to more confidence on the part of residential developers and consequently to more residential building.

The decision to do away with rent control was loudly hailed,

but has had little real effect in the market place — no marked upturn in residential building, no stampede to buy up old rent-controlled blocks of flats.

House prices refuse to budge

from the requirement that they channel 62% per cent of their stuck at in 1974. Indeed the total lending to loans of R15,000 sq top end of the house market or less. So larger loans — closer less. This gave a mild fillip, once had to pay a premium in the form of "key money" just to get in, are freely available.

Then last month the Government announced that it would release the building societies

it will have over 100,000 sq metres of floor space (1m sq ft).

The office letting troubles are naturally reflected in the market

prices for investment properties.

Very few change hands now —

days but occasionally a must-

JPW

SOUTH AFRICA

Still waiting for recovery

WHAT WOULD in better days years with rent increases limited R40,000 today — and invariably have been a momentous occasion in the South African two years for de-controlled money tied up in the form of property market has come and premises, but there is another second mortgage bond granted go with hardly a ripple. In and more fundamental reason to the buyer. Agents reckon April the Government at last for the slow reaction. It is about 2,000 new homes are announced the beginning of the country's 20-year-old rent control apparatus. The simply that the property market standing unsold on the Witwatersrand complex surrounding Johannesburg.

In the last few weeks agents

have been talking about faint hints of a spurt in the housing market. The March budget did away at the standard arguments about how control distorts the market and how its abolition would lead to more confidence on the part of residential developers and consequently to more residential building.

The decision to do away with rent control was loudly hailed,

but has had little real effect in the market place — no marked upturn in residential building, no stampede to buy up old rent-controlled blocks of flats.

House prices refuse to budge

from the requirement that they channel 62% per cent of their stuck at in 1974. Indeed the total lending to loans of R15,000 sq top end of the house market or less. So larger loans — closer less. This gave a mild fillip, once had to pay a premium in the form of "key money" just to get in, are freely available.

Then last month the Government announced that it would release the building societies

it will have over 100,000 sq metres of floor space (1m sq ft).

The office letting troubles are naturally reflected in the market

prices for investment properties.

Very few change hands now —

days but occasionally a must-

Nic Stathakis

Property

Weatherall Green & Smith
22 Chancery Lane London WC2A 1LT
01-405 6944

Chartered Surveyors and International Property Consultants

Offices also in Leeds Wakefield Paris Nice Marseilles Frankfurt and Munich

**SURVEYORS
CONSULTANCY SERVICES**
(Incorporating Property Executives)

Bank Buildings
20 Kingsway, London WC2B 6LH
Tel: 01-405 0732 01-405 8841

DIRECTOR: IAN L. BROWN MBIM
CHIEF EXECUTIVE: KATHLEEN M. SANDERS BA
SERVICES PROVIDED

Advice and assistance to surveyors and members of all branches of the property profession in matters relating to:

- (a) Appointments (at all levels) U.K., Europe, U.S.A., Middle East, Australia, etc.
- (b) Partnerships/directorships: Private practice and commerce.

All enquiries and correspondence treated in strict confidence. Interviews by appointment.

N.B. U.S.A. Real Estate! New opportunity for real estate executive with at least three years' experience. Applicants must be U.S. citizens or have required immigration status to work in U.S.A.

**TONI FOWLER
LAND INVESTMENTS**

ST. AUGUSTINE, FLORIDA

362 acre zoned "Manufacturing": plot mapped with 80 foot access streets; "high and dry"; bordered on East by railroad; on North by State Highway 207; 1/2 miles from town/ocean/air transport/Interstate Highway 1; advantageous tax situation; \$6,000 (USC) acre; 25% down payment; 10% interest on balance—negotiable, amount of cash up front governs terms.

NEVADA

380,000 acre cattle/dry crop ranch: 146,000 acres deeded; balance—Federal and railroad leases. Ample adjudicated water, exceptional modern house, pool, air strip, work buildings layout—\$41 (USC) per deeded acre; 20%, down, 9% interest on balance. Write Box T-4867, Financial Times, 10, Cannon Street, EC4P 4BY.

**ATTRACTIVE INVESTMENT OPPORTUNITY
INTERNATIONAL TAX HAVEN CO.**

(Wide powers, registered Panamá)
Offers MODERN ANDALUCIAN VILLA 300 sq. m. built around central patio with marble fountain, all on one level. Extensive living room, four/five bedrooms bathrooms en suite, kitchen etc., marble floors, cavity walls, telephone, solar heated domestic water supply, 10 m. x 4 m. tiled swimming pool, auto-filtration. Standing on c. 2 ha. with citrus, olives, vines, etc., abundant irrigation water POTENTIAL Country Club, Restaurant, luxury villa sites. Panoramic views Mediterranean and Africa, altitude 500 m., Malaga Airport 20 km. Near skiing, sailing, riding, tennis, golf and Casino. Sale by transfer of Bearer Shares, nominal costs, absolute discretion. Swiss Bank A/c included. No liabilities.

Price DM700,000 or equivalent, negotiable.

Banker's reference essential with initial enquiry.

No Agents. Available now.

Reply Box T-4864, Financial Times, 10, Cannon Street, London EC4P 4BY

We advise ...



We can advise you

sales—acquisitions—lettings—investments
planning—development—rating—valuation

**GL Hearn
& PARTNERS**

Delta House, 44-48 Borough High Street,
London Bridge, London SE1 1XP
Telephone 01-407 5321

Glasgow 041-242 4007 • Edinburgh 01-226 21223 • Norwich 0603 61141 • Southampton 0703 21061 • Sunderland 0723 5946

THE U.S.

Better but not booming

BEYOND A shadow of a doubt the U.S. real estate market is pulling strongly out of the recession which reached its nadir at the end of 1974. On the other hand the climate is not all set fair pointing towards a boom.

In fact the present state of play is a hotch-potch of conflicting indicators. For instance, over the past two years overseas investors have been flocking to put money into American real estate. One recent estimate puts the value of money invested over this period by foreigners at \$1bn, spearheaded by Canadian commitments, closely followed by German investment and then Dutch, Mexican, British and Japanese (the latter particularly on the West Coast).

Now, one of the main attractions for overseas investors has been the relatively high level of yields on prime properties, in comparison with the European Continent, for instance. In recent months, however, that attraction has begun to be eroded. Free and clear yields on prime properties (over and above debt financing) have come down to between 6 and 7 per cent, compared with well over 8 per cent two years ago.

One of the factors in this movement has been the increasing and still relatively new competition for investment properties from the native institutions. Until a couple of years ago these institutions did not invest much in real estate. Sometimes their articles of association actually banned them from this investment medium, but more generally they preferred to build up more liquid assets. By about 1974 there was widespread evidence that the funds were seriously considering changing their views. They had begun to react favourably to property's attractions as a hedge against inflation.

At about this time, however, the banks' more traditional involvement in property, by way of mortgage financing through Real Estate Investment Trusts (REITs), was turning distinctly sour on them, and this put a brake on a natural inclination to

further property commitments secured by its relationship with equity. The other major partner Chase Manhattan Bank, in fact, is the U.S. firm Draper and Kramer, and some 15 per cent

it appears that the bank has no Kramer, and only one of the space is already pre let.

The institutions are still not liabilities as far as the REIT is concerned and is only one of the at around \$13.6m. by the REIT.

The funding arrangement for the scheme is in the true tradition of U.S. real estate mortgages. But there are signs that cracks are appearing in this tradition. In recent months a number of deals have been signed up in which the funding bank or institution has inserted a revision clause somewhere about the middle of the mortgage term of the mortgage.

Behind this trend lies the recent volatility of interest rates in the U.S.: On May 26 prime rates reached a three-year high of 8½ per cent, the second increase in a month and a 40 per cent increase from the low of 6 per cent at the end of 1976. At the end of last year there have been the first signs that developers are satisfied with the significant overhang of space on the market since the boom building period of the early 1970s is now sufficiently absorbed to warrant new schemes.

One indication of this new momentum quadrupled even if the revival of interest in development funds chose to put only a minor emphasis — and involving an overpercentage of their new money into property. But it is possible known for its caution — is that there will be a check to office scheme in Chicago, in this momentum in the next few months as the residual problems of the British firm Slough Estates is to take a 25 per cent of the REITs raise their heads stake. The plan is for 800,000 square feet of offices in the major centres have been improving over the past year the growth does not appear to have been

At the beginning of last month the Chase Manhattan Chicago, which will cost £32m. announced that it could not find through a 32-year fixed interest the cash to repay \$36.7m. of mortgage from the New York Life Insurance group. Slough's developments comes at a time when the popularity charts for REITs during the 1974 collapse, only be a quarter of the types of property are, in any schemes, could also be energy partners' \$12m. case, changing, and local consciousness; although it is

developers are feeling their debateable whether this is a genuine reason or just a selling point.

Richard Ellis also notes that by contrast, there is a lower development which was traditionally the most popular type of growth in warehouse of building. Both condominiums and residential estates are being apparently, supply of such premises is more than adequate in most centres to meet existing moderate demand.

The prime area for residential estates has been the suburban fringes of urban areas. Over the past couple of years both the newly awakened energy consciousness of U.S. citizens and authorities, and several years' absence. Even in mid-town Manhattan, according to Jones Lang Wootton, new development is being planned less of a secure long-term investment than formerly.

Condominiums

As far as condominiums are concerned the simple problem is a market related one: there is still an oversupply of such space.

According to a recent report from estate agents, Richard Ellis, some of the slack has been taken up by an active resurgence of shopping centre construction. The firm points out, however, that the emphasis has been on neighbourhood and community centres, "as most Houston still seem to be showing growth prospects, and rentals are correspondingly buoyant". Denver, Chicago and San Francisco are also generally being pin-pointed as areas of a degree of shortage of space.

In short the U.S. real estate market has apparently found its feet again, but it is not bounding ahead except in isolated areas, and the general impression is of an industry looking over its shoulder at a range of niggling pursuers from the economic indicators including the weak dollar, changes in investment popularity and restrictions to some of the traditional property favourites.

Christine Moh

MEXICO

Conflict of economics and population

MEXICO HAS emerged on a To the new half million or so Not least of the problems is with large, as yet uncharted sea of newly discovered oil and compesinos (rural people with mineral wealth). Last month's international property and planning conference in Mexico City offers the illusion of opportunities for a fresh start to life and easy employment. The capital is also seen new found economic power is as a good location for firms being harnessed to update needful access to the Federal Government, a large labour pool commercial and residential property markets that are currently unable to keep pace with the explosive population growth.

Reasons for the decline and fall of the ancient Maya civilisation in Middle America, before the arrival of the Spanish conquistadores are still obscure, but there is strong evidence to suggest that infertile soils, with decreasing yields and the agricultural system of moving from field to field, were primary causes. Modern Mexico, with its many potentially rich resources is unlikely to suffer a similar fate, but with the country's explosive population growth over the last 50 years, coping with a rapid pace of land development is again a real problem.

Mexico's current population of 60m is expected to double by the year 2000. Mexico has the second largest growth rate in the world and in Latin America, only Brazil can boast of a larger population. The strain of population growth is most acute in the drift to the towns. Over 60 per cent of the people live in urban areas, while agriculture supports some 40 per cent. Around 25m people live in 94,000 small, scattered communities, of not more than 2,500 people.

In contrast, 13m people live in Mexico City. By the close of this century, it is expected to be the largest city in the world: a capital of 30m people. Mexico City dominates the adjacent agricultural areas, particularly in the states of Mexico and Hidalgo, and the yields pumped back to the metropolitan area.

To the new half million or so not least of the problems is with large, as yet uncharted sea of newly discovered oil and compesinos (rural people with mineral wealth). Last month's international property and planning conference in Mexico City offers the illusion of opportunities for a fresh start to life and easy employment. The capital is also seen new found economic power is as a good location for firms being harnessed to update needful access to the Federal Government, a large labour pool commercial and residential property markets that are currently unable to keep pace with the explosive population growth.

To the new half million or so Not least of the problems is with large, as yet uncharted sea of newly discovered oil and compesinos (rural people with mineral wealth). Last month's international property and planning conference in Mexico City offers the illusion of opportunities for a fresh start to life and easy employment. The capital is also seen new found economic power is as a good location for firms being harnessed to update needful access to the Federal Government, a large labour pool commercial and residential property markets that are currently unable to keep pace with the explosive population growth.

Demographic and economic sources, to become a major trend imply further urbanisation in Mexico City. But most people expected are unlikely to be accommodated in the existing economy as a result of devaluation of the peso, and will need to be provided for by carrying out a programme in planned communities outside of economic stabilisation.

Mexico has to industrialise in the present built-up area in the valleys of Cuernavaca, Puebla, Tlaxcala and Tolosa.

Mexico remains a country time-maximise agricultural output.

CONTINUED ON NEXT PAGE

OUTSTANDING INTERNATIONAL PROPERTIES FOR SALE

SPAIN—MARBELLA

Superb country house set on the edge of 18 hole golf course. 5 bedrooms, 3 bathrooms, 2,400 sq.m. of land, well maintained gardens, swimming pool, garage and outstanding views. Immaculate condition throughout. Well equipped kitchens. Price: £25,000.

SOUTH OF FRANCE—VILLEFRANCHE, LES RESTANQUES

This highly exclusive apartment building is set within peaceful, terraced gardens on a hillside overlooking the Bay of Villefranche-sur-Mer. Each principal apartment has outstanding views of Mediterranean. Built to the highest specifications complete with security system and superb swimming pool. Les Restanques is designed to afford each apartment ideal privacy. Price: from 350,000 French francs.

SOUTH OF FRANCE—PORT GRIMAUD

Internationally known throughout the world this "City on the water" is offering for sale "Fisherfolk style" houses, studios and apartments. Each property set within its own little paradise have their own private berth and attractive gardens. Architects Francois Spoerry who created this "lake village" has skillfully maintained the Mediterranean mood in the new Phase of the Development. Price: Studios (2 rooms plus, kitchen and bathroom) 350,000 French francs; Individual houses from 685,000 French francs.

FOR FURTHER DETAILS

MONTPELIER INTERNATIONAL PROPERTIES

9 Milner Street, London SW3 Tel: 01 584 4501 Telex: 916087

Montpellier, France

Marbella, Spain

Port Grimaud, France

Villefranche, France

Other countries

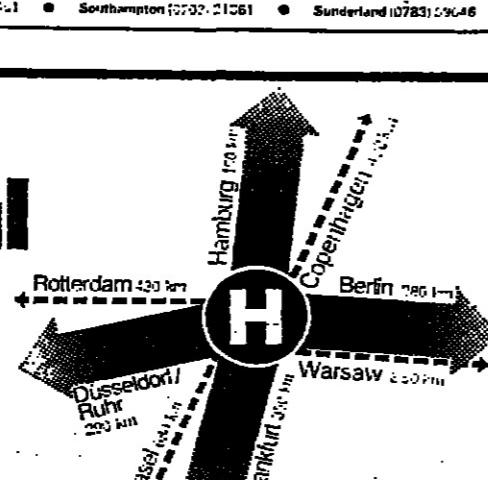
Additional facilities: On the lower floors - space for shops, catering establishments and leisure activities. On the upper floors - one to three room flats, 600 car parking spaces within the building.

Further information from the letting agents:

City Raschplatz, Hanover, Germany

A company in the Bredero Group, Holland.

HANOVER, your central base in Northern Germany



adjoining the main lines of communication between Scandinavia and Switzerland, and between Eastern Europe and the Netherlands. They include the motorways Hamburg-Basel and Berlin-Rotterdam, the rail links Copenhagen-Hanover, and for air travel the large airport at Hanover-Langenhagen, home

HANOVER,

where industry meets every year at the Hanover Fair and many specialised exhibitions. Home and manufacturing base for companies such as Continental Tyres, Volkswagen, Massey-Ferguson/Hanomag. Generous provision for future growth of traffic. A city whose intelligent town planning has turned it into North Germany's metropolis. Beautiful surroundings ideal for leisure activities.



LISTER TOR TOWER

Your base in Hanover for international business. In a brand new business development area.

Next to main railway station and City Air Terminal. Underground station, urban motorway and extensive parking facilities.

Both its location and its design meet every need of managements active on an international level:

Further information from the letting agents:
City Raschplatz, Hanover, Germany
A company in the Bredero Group, Holland.

MIDDLE EAST

INTERNATIONAL PROPERTY VII

Tough competition for British companies

APART FROM oil, the commodity that the Middle East is not short of is entrepreneurs. They abound and the kind of skills which British developers have used with such remarkable effect elsewhere in the world are in every-day use in the Middle East.

The skills which are in great demand throughout the Arab world are those of the professions closely connected with the construction industry, such as civil engineers, architects and quantity surveyors. Because generally the British professions provide a wider and better service than their European and Japanese competitors it had been assumed that they would get the lion's share of profitable work in the Middle East.

But many appear to have been missing out recently on the concept of consultancy work which is gaining favour with Middle East clients, where a consultant defines the parameters of a project and leaves the design work to a contractor who quotes on a turnkey basis. Nevertheless, invisible earnings by UK engineering consultants in the Middle East amounted to around £130m in 1977.

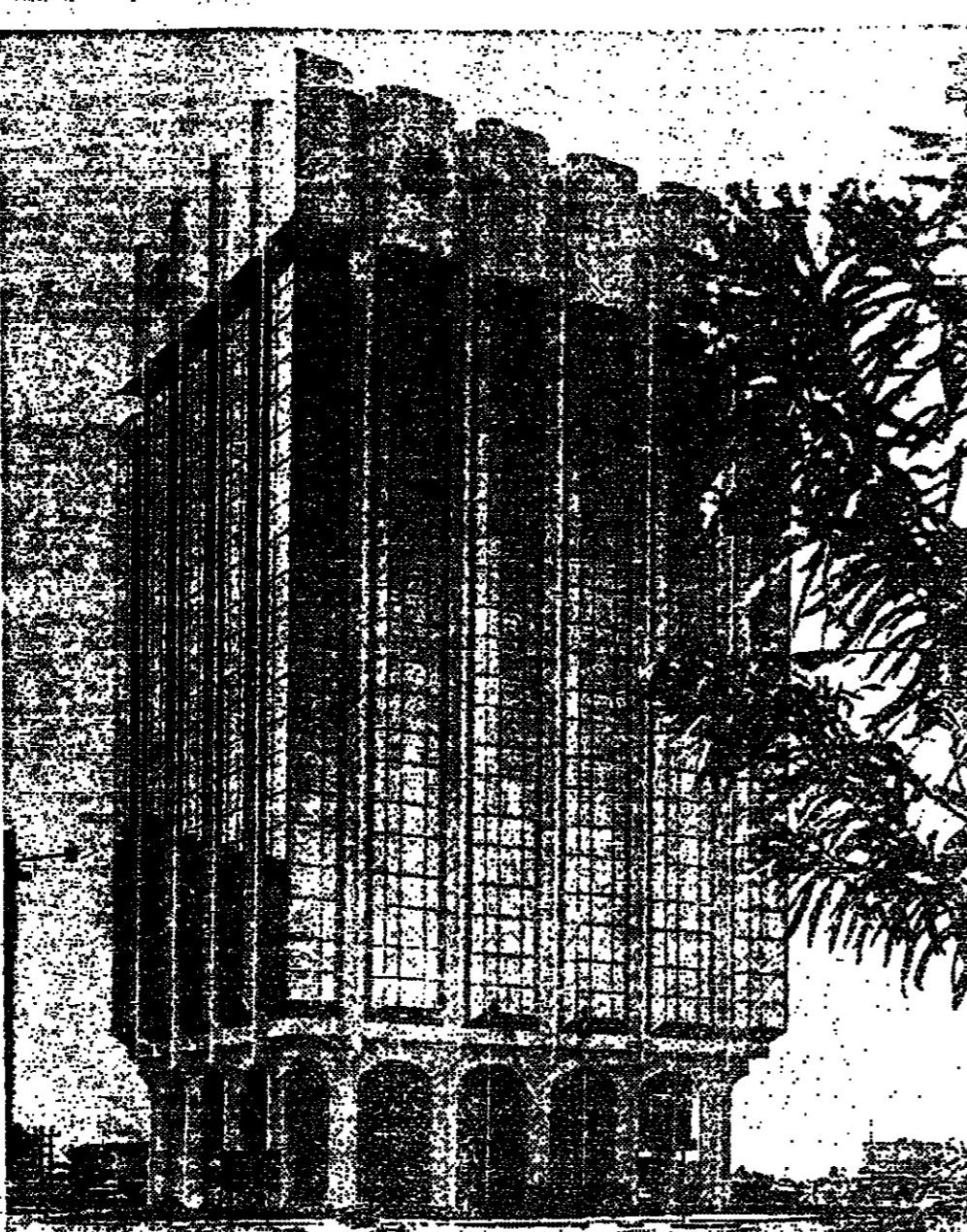
The giant UK construction groups, which are large even by North American standards, are carrying out vast schemes throughout the Middle East, work which they get in fierce competition with other contractors from places as far afield as South Korea, Japan and India, but they cannot be considered to be in the premier league. The structure of the UK construction industry appears to be against them when in competition with operators from other countries.

In Bahrain, Taylor Woodrow International is building a 350-bedroom hotel for the Sheraton group, for a total cost of around \$32m.

Cementation International, the overseas arm of the Trafalgar House subsidiary has a \$27m contract for concrete piles on the Gulf Hotel scheme and Higgs and Hill has two contracts, one of \$6m for an 18-storey office building and the other of \$5.5m for a low-rise complex with shops, hotel and offices.

But those most closely connected with Bahrain agree that the construction boom is over, at least until work begins on the proposed Bahrain-Saudi Arabia causeway, a 15-mile four-lane expressway connecting island with mainland over a series of embankments and bridges.

The cost of this huge project has been estimated at \$800m, but with rapidly rising construction costs it could total \$900m to \$950m by the time it is started. If it is carried out, and while the Saudis have a firm commitment to the scheme, there is



The Bank of Credit and Commerce International building in Abu Dhabi, built by Bernard Sunley to a design by architects Fitzroy Robinson

some opposition, there will be 300,000 sq ft of space including several spin-off opportunities a five-storey office block.

Like more hotels, weekend housing for mainlanders, and soon invite preliminary proposals for 670 acre residential

shopping, and the Bahrain construction boom could be on development between Kuwait City and Al-Ahmad. The pro-

ject, to be known as the Fintas Centre, will house an eventual

population of 87,000 and will include 1,920 homes, a 200-room hotel and exhibition centre plus

some 150,000 sq ft of community facilities.

Showpiece

Kuwait International Airport is the showpiece of Middle East airports and it is hard to believe that it less than a generation ago that Kuwait's control tower, known as the Bahrain Tower, and containing some 95,000 sq ft of space.

Cluttons' scheme is the mixed office, residential and shopping complex known as the Manama Centre. The offices appear to be letting well and tenants the approach roads to the air-

such as Gulf Air, KLM, Kuwait port, Airways and Grindlays Bank

Saudi Arabia was once have leased space. Lettings described as one vast building the apartments seem to have site. Everywhere you looked been far slower and the rents were lowered recently.

In Kuwait development is going ahead at a fast rate and hardly a day goes by without

Mitsubishi and Saudi news of some huge new scheme. Arabian Basic Industries for a chemical complex at Jubail recently, the Salha Real Estate group raised a \$37m, floating where some \$1.5bn is being sought. Kier International is another glass-clad building for the Meridian Hotel and carrying out the largest con-

tract among UK builders with the Deira side of the Dubai Creek; the architects for both buildings are Fitzroy Robinson

MEXICO CONTINUED FROM PREVIOUS PAGE

put to feed an increasing population. The British Industrial Exhibition in Mexico City in November will be aimed at promoting in Mexico badly needed capital equipment (such as steel plants, petrochemical plants and textile machines), agricultural equipment (such as fertiliser plants), as well as financial and consultancy services.

Undoubtedly, the Mexican oil industry (Pemex) will play a crucial role in the development of the country. Production by 1982 is expected to be 2.25m barrels a day, nearly half of which is to be exported. A gas pipeline is now under construction from the oil-rich state of Tabasco in the east, to the border with the U.S. The World Bank is also assisting in the future development of Mexico, with increasing emphasis on the

environmental impact of project requirements.

In the north-west, a large portion of capital investment is used to provide commercial farming in the states of Sonora, Sinaloa and Guanajuato. The Government, under the slogan "the amigo country" is also committed to a major programme to find and develop tourist resorts. At present, the U.S. provides some 90 per cent of the visitors to Mexico's tourist facilities, including the new Cancun in the Caribbean State of Quintana Roo, Matatlan and Ixtapa on the Pacific side and the world famous Acapulco, in the State of Guerrero—ironically one of the poorest states in Mexico.

To deal with the plethora of economic, social and environmental problems of such rapid development, the President has created the Secretariate of Human Settlements as an extension of the Public Works Ministry. This essentially new Ministry's tasks also include the assessment of environmental impact of Mexico's massive development commitment.

Under the new 1976 law, the Government requires all states to prepare their own plans for three levels of development, state, city and conurbation.

and Partners.

Many of the developments carried out by British construction groups are in partnership with either another UK builder or a local company. The reason for this apparent reluctance to take on the massive projects on their own is the requirement of a performance bond. At 10 per cent of contract value British contractors have preferred to spread their risks rather than tie up vast sums in one single contract.

It is clear that British contractors are facing considerable competition from other international groups, and that the competition is likely to become fiercer in the future, there may also be a reluctance among Arabs to employ them because it is claimed that they fail to send top men to supervise contracts.

Conditions

Arab authorities also find that the British place far more importance on the contract conditions than others such as the French. But because the French construction industry is owned largely by the banks who are in turn state owned, French contractors probably believe that any problem can be sorted out at the end of the contract at government level.

There is also competition which all other contractors are facing from South Korea. The South Koreans keep costs down by shipping huge amounts of low cost labour to cope with even the largest contracts. This problem is one which is difficult to overcome. It is estimated that the South Koreans have current contracts worth at least \$2bn in the Middle East. Most international contractors hope that the improved South Korean construction industry will increase its opportunities both at home and abroad and that it will then no longer be able to count on low labour costs for its competitiveness.

Rory Ferguson

BRITISH & EUROPEAN PROPERTY

FULLER PEISER offer a complete property service to industry and commerce throughout the United Kingdom and Western Europe

FULLER PEISER

Limited
3-4 Holborn Circus
London EC1N 2HL
Tel: 01-353 6851
Telex: 25916

Chartered Surveyors, Valuers, Agents and Managers of Industrial and Commercial Property, Rating and Compensation Surveyors, Plant & Machinery Valuers, Investment, Finance and Development Consultants.

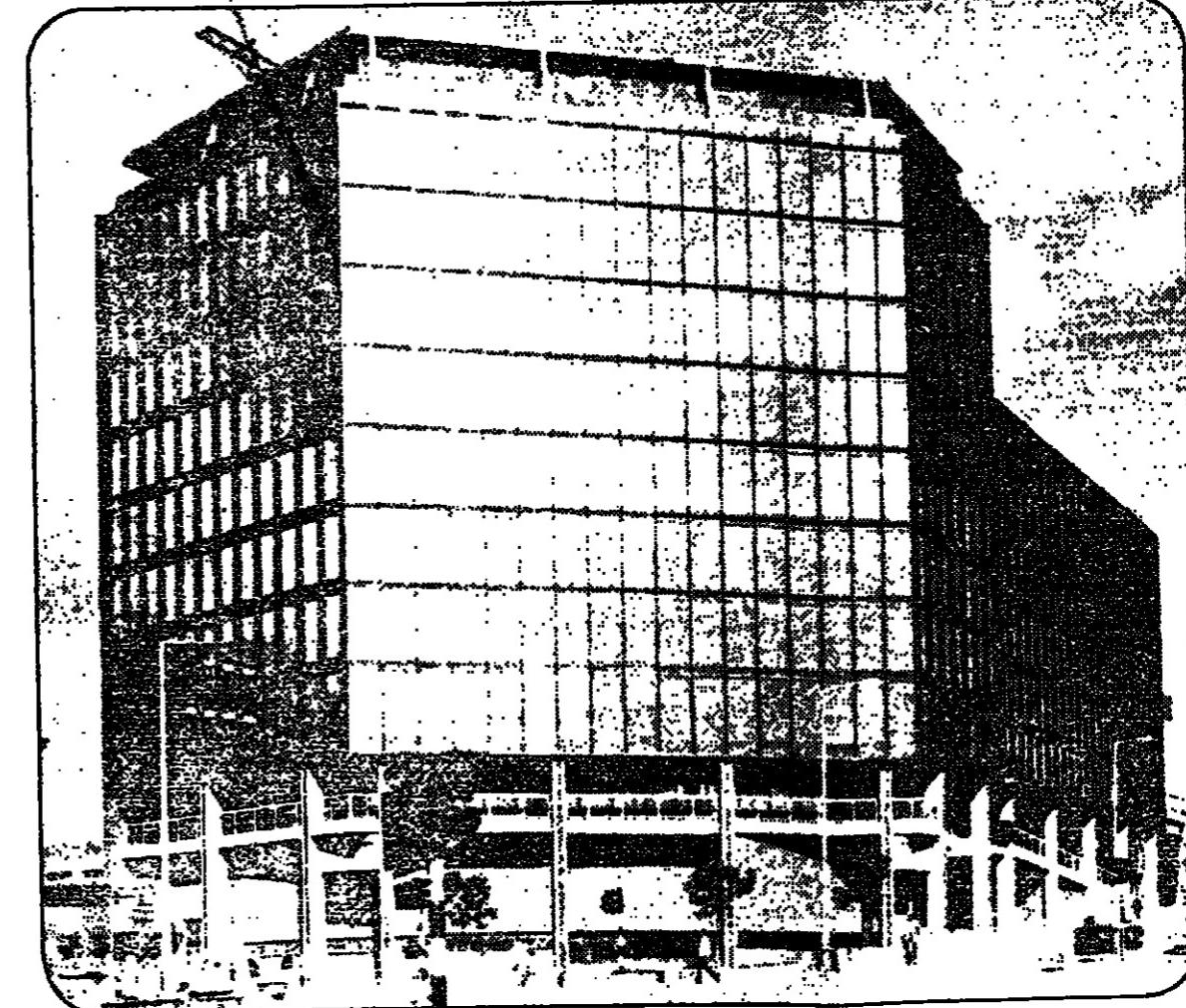
A COMPREHENSIVE INTERNATIONAL PROPERTY SERVICE
COVERING ALL ASPECTS,
SALES/LETTING/ACQUISITIONS
OF COMMERCIAL AND RESIDENTIAL PROPERTIES

AYLESFORD

440 KINGS RD., CHELSEA,
LONDON SW10 0LH
TELEPHONE 01-351 2383

An outstanding new air-conditioned office building to let.

SUNLEY HOUSE N22



● WOOD GREEN is one of London's strategic commercial centres.

● WOOD GREEN has the largest shopping centre north of the river.

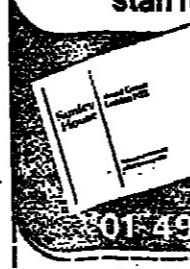
● WOOD GREEN 15 minutes from Oxford Circus (Piccadilly Line) which provides a direct link with Heathrow Airport.

● WOOD GREEN The large surrounding residential catchment area provides good staff recruitment.

● SUNLEY HOUSE A new air-conditioned office building available in units from 4,000 to 88,600sq.ft. approx.

● SUNLEY HOUSE Rates and rent combined are less than half those for comparable buildings in Central London.

● SUNLEY HOUSE Immediate occupation, telephones and switchboard already installed.



Joint letting agents
**PEPPER ANGLISS
& YARWOOD**



Chartered Surveyors

101 New Bond St, London W1Y 9LG 01-499 2271

For colour brochure with floor plans, clip the coupon and send to the Joint Agents, Sunley House, 101 New Bond St, London W1Y 9LG

Company _____

Name _____ Address _____

County Galway
EIRE
IMPORTANT MAJOR TOWN LAND DEVELOPMENT
Action area, zoned for private housing development. 350 houses per acre. Full planning permission currently being sought. Further details available to genuinely interested parties Principals only. Subject to being passed, Subject to contract. Representatives in Eire.

Enquiries in first instance to:
JANET BOWLES
Seaham Field House,
Gillingham, Kent, ME7 5AS
Tel: 0303 80864

FLORIDA

Wide range of residential and commercial properties available. Mortgage advice assistance. Expert impartial advice plus escorted property inspections by English F.C.A.-registered real estate agent resident Miami.

C. R. Collinson, F.C.A., M.B.A.,
58 Brompton Square,
Knightsbridge, London SW3.

Jim Antoniou

AUSTRALIA

C U
Properties
COMMERCIAL UNION PROPERTIES LTD.

ASSOCIATED WITH
PROPERTIES OF QUALITY
THE WORLD OVER

1 Undershaw, London, EC3P 3DQ
Tele 01 623 4541.

BAHAMAS FREEPORT Company for sale

Incorporated and Bonded Licensee
Large estates of residential land
Could be sold separately

W. & C. FRENCH (BAHAMAS) LTD
50 Epping New Road
Buckhurst Hill, Essex, England
TEL: 01-504 4444 TELEX 25679

In Germany

Stresemannallee 31, D-6000 Frankfurt am Main 70
Telephone 0611 55 55 00 Telex 44362

In the Netherlands

Koningslaan 39, Amsterdam
Telephone 23 25 78 Telex 15733

In the U.K.

2 King Street, London EC2V 8ET
Telephone 01 500 1737 Telex 861 824

Gooch & Wagstaff

Chartered Surveyors &
International Property Consultants

In Europe

One of our most important services is telling you what not to lease.

Some of our most valuable advise is concerned with what our clients shouldn't do.

What factory premises not to rent or buy. Which location not to select for your office. What property not to invest in. Why it wouldn't be a very profitable idea to choose that particular site for development.

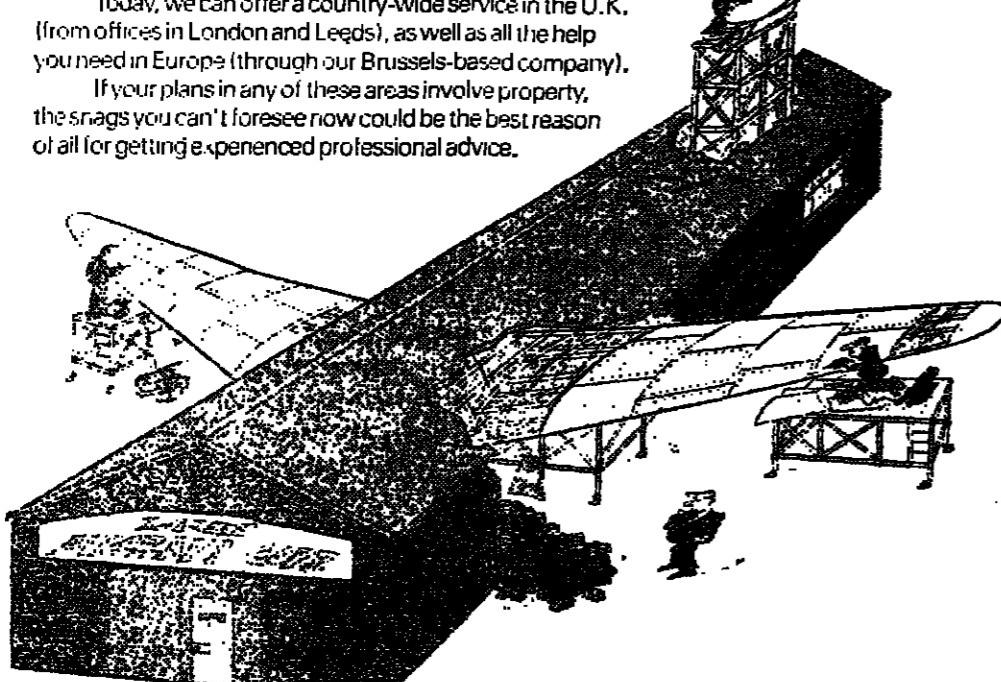
In most cases, this advice involves professional skills and experience that our clients can't possibly expect to possess themselves.

Which is why they come to firms like ours in the first place.

For nearly 150 years, St. Quintin, Son & Stanley have been providing surveying, valuation and estate agency services to companies in every field of commerce and industry.

Today, we can offer a country-wide service in the U.K. (from offices in London and Leeds), as well as all the help you need in Europe (through our Brussels-based company).

If your plans in any of these areas involve property, the savings you can't foresee now could be the best reason of all for getting experienced professional advice.



St Quintin

Chartered Surveyors
Vintry House, Queen Street Place,
London EC4R 1ES.
Telephone: 01-236 4640, Telec: 8812619

and at 1a Park Place, Leeds 1. Telephone: 0532 460235

St Quintin

Rue Joseph II 36-38
1040 Brussels. Telephone: 010 322 219 3283
Telex: 61182

INTERNATIONAL PROPERTY VIII

Chronic surfeit of space

THE AUSTRALIAN property market suffers from a chronic surfeit of space, a legacy of the boom and bust days of the early 1970s. Opinion varies markedly about the severity of the situation, but even the most optimistic of the surveys from interested groups suggests that it will be 1983-84 at the earliest before the market stabilises. Supply varies considerably in the major metropolitan cities. Oversupply is greatest in the largest city, Sydney, followed by Melbourne. But, in the West Australian capital of Perth the proposed A\$2.5bn to A\$3bn liquefied natural gas project based on the offshore gas discoveries on the North West Coastal Shelf is resulting in an influx of professional groups hoping to participate, and boosting the demand for office accommodation. A recent survey suggested at least one major office building should be started in Perth this year if shortages of space were to be avoided by 1982.

The survey suggested that Perth needed between 100,000 and 250,000 sq ft of space a year for the next four years to avoid shortages. Until recently there had been a surplus of about 1m sq ft.

In Sydney, the position is much more severe. The most optimistic outlook was put out recently by the Building Owners and Managers Association of Australia, which showed that the amount of "true surplus" vacant office space was "very substantially less than some of the figures which have been bandied around over recent months." The BOMA survey came up with a figure of 359,147 sq metres, or more than 3.5m sq ft, of vacant lettable office space as at October 1977. BOMA asserts that a pool of vacant office space or "stock on the shelf" is necessary to promote a stable leasing market, and that this is a factor which is usually overlooked in surveys of the surplus office space position. The BOMA Association said this vacancy factor fluctuated in a range from 2 to 7 per cent, with 5 per cent regarded as a norm. It is only when the supply moves outside either end of this spectrum, that the situation could be described as one of shortage or surplus. The current vacancy factor is 18 per cent.

BOMA determined the total amount of new and old privately-owned office space in the Sydney central business district at 1.99m sq metres (21.4m sq ft) of which the 5 per cent stock on the shelf would represent 99,406 sq metres or 1.07m sq ft. The actual surplus of office space therefore came out at just under 260,000 sq metres or 2.8m sq ft. However, there was also a further 230,632 sq metres (2.5m sq ft) of office space under construction all of which should be completed by 1980. The survey did not take into account sites where development approvals had been obtained but work had not yet started. In practice many such development projects have been

"Previous forecasters of vacant office space have fallen into the error of assuming that boom was those of major finance companies, backed by local or overseas banks. Several of the largest financiers jumped into property during the heady days of the early 1970s. The BOMA survey asserted that there has been no due allowance made for delays, years, bankrolling ambitious projects directly into the oversupply problem," asserted BOMA.

The BOMA survey came up with a figure of 359,147 sq metres, or more than 3.5m sq ft, of vacant lettable office space as at October 1977. BOMA asserts that a pool of vacant office space or "stock on the shelf" is necessary to promote a stable leasing market, and that this is a factor which is usually overlooked in surveys of the surplus office space position. The BOMA Association said this vacancy factor fluctuated in a range from 2 to 7 per cent, with 5 per cent regarded as a norm. It is only when the supply moves outside either end of this spectrum, that the situation could be described as one of shortage or surplus. The current vacancy factor is 18 per cent.

BOMA determined the total amount of new and old privately-owned office space in the Sydney central business district at 1.99m sq metres (21.4m sq ft) of which the 5 per cent stock on the shelf would represent 99,406 sq metres or 1.07m sq ft. The actual surplus of office space therefore came out at just under 260,000 sq metres or 2.8m sq ft. However, there was also a further 230,632 sq metres (2.5m sq ft) of office space under construction all of which should be completed by 1980. The survey did not take into account sites where development approvals had been obtained but work had not yet started. In practice many such development projects have been

Since then, however, no other building and property vision for real estate losses is gathered steam. Many have

now substantially curtailed their Australian operations, or quit

the scene, in some cases with

burnt fingers. The most spe-

tacular example is the Abbey

Capital Group, the property off-

shoot of the insolvent Crown

Agents. Abbey ran-up losses

of A\$70m in 1976 and has

embarked on a 10-year nation-

alisation programme aimed at

disposing of its A\$250m

Australian property portfolio. In

recent months more than

A\$60m of property has been

sold.

Many in the industry believe

that the rush by foreign prop-

erty groups to participate in

the boom, and the often indis-

criminate purchases brought on

much of the excess.

The investment manager of

the AMP, Mr. Alan Coates,

recently put forward some views

on the past, and the future for

property. He said: "For many

reasons we shall not see a

return to the level of activity

which characterised the 1960s

and early 1970s, but I would

stress that with the arrival of

the many offshore property

developments there was not excess creation of rental space in the

country.

"I believe that those who felt

that there were easy conquests

in the Colonies have learnt

their lesson and in future

development will be substanti-

ally in keeping with demand—a

demand that is as legitimate as

demand in any other sector."

The life offices—Australia's

major investors—are also ex-

pecting property investment to

play a declining role in their

total investment portfolios.

The largest of the life offices

is the AMP Society, invested

A\$598m in 1977 compared with

A\$510m in 1976. But the amount

to 30 per cent at December

1977.

Other finance companies have

had similar disastrous experi-

ences, relative to their size, in

a non-interest, accrual basis

as a percentage of total receiv-

ables has been reduced from a

peak of 50 per cent in mid-1975

to 30 per cent at December

1977.

The life offices are also look-

ing to natural resources develop-

ment as a major source of

investment opportunities over

the next few years.

Local finance companies and

property developers were not

reporting a group loss of the

only casualties of the property

bust. UK property companies were quick

bubble burst late in 1974 when

estate losses. The total pro-

to move in as the boom

gathered steam. Many have

now substantially curtailed their

Australian operations, or quit

the scene, in some cases with

burnt fingers. The most spe-

tacular example is the Abbey

Capital Group, the property off-

shoot of the insolvent Crown

Agents. Abbey ran-up losses

of A\$70m in 1976 and has

embarked on a 10-year nation-

alisation programme aimed at

disposing of its A\$250m

Australian property portfolio. In

recent months more than

A\$60m of property has been

sold.

Many in the industry believe

that the rush by foreign prop-

erty groups to participate in

the boom, and the often indis-

criminate purchases brought on

much of the excess.

The investment manager of

the AMP, Mr. Alan Coates,

recently put forward some views

on the past, and the future for

property. He said: "For many

reasons we shall not see a

return to the level of activity

which characterised the 1960s

and early 1970s, but I would

stress that with the arrival of

the many offshore property

developments there was not excess

creation of rental space in the

country.

The life offices are also look-

ing to natural resources develop-

TREND TOWARDS UNIONS MERGERS • BY ALAN PIKE

Why small isn't beautiful

MR. DAVID BASNETT, this year's chairman of the TUC, agreed enthusiastically in a recent television interview that big is beautiful. The question was provoked not by Mr. Basnett's own commanding physical stature but by the size of his General and Municipal Workers' Union, which he hoped was poised to some day grow by another 100,000 members from the incorporation of the Amalgamated Society of Boilermakers.

The trouble is that for Mr. Basnett a 100,000 increase in the size of their 144-year-old craft union would be absorbed by its mother less exclusive GMWU.

The plan has suffered a serious, possibly fatal, setback.

Nonetheless, the subject of amalgamation is very much in the hearts and minds of the trade union movement at the moment. Recent developments include talks between two excesses, one of the TUC's, the Amalgamated Union of Engineering Workers and the Electrical and Forwarding Trades Union—which would, if successful, make a big impact on the political structure of the Labour movement.

Although it is generally agreed that there are still too many unions in Britain the trend towards mergers is not new, as is testified by the full name of one of the participants in the present discussions—the Amalgamated Society of Boilermakers, Shipwrights, Blacksmiths and Structural Workers.

There is therefore nothing unusual in one union having to merge with another and equally there is as little as anything unusual in such talks as far as the original time-table has already been extended and the severe demarcation disputes for which the industry is notorious, plus the unsuccessful outcome of previous amalgamation attempts, do not guarantee a successful conclusion. On the contrary, however, there are several factors giving a more than usually positive edge to the merger.

Traditions

Trade union amalgamations involve the submerging and compromising of long historical traditions to at least as great an extent as when old-established companies merge, and they are seldom easily accomplished. Agreement among union leaders that a merger would be a good thing is of little value if their members have always had conflicting interests at local level.

The logic of amalgamations is, perhaps, most easily understood when unions representing different grades of employee in a single industry discuss the advantages of coming together—the thinking behind the current talks to create a single union for the printing industry.

Discussions in this industry have not been without their difficulties: the original timetable has already been extended and the severe demarcation disputes for which the industry is notorious, plus the unsuccessful outcome of previous amalgamation attempts, do not guarantee a successful conclusion. On the contrary, however, there are several factors giving a more than usually positive edge to the merger.

Some of the discussions taking place. Technological change in industry and inflation have combined to make smaller unions uncertain about the future. The mass of labour relations legislation of recent years has increased the number of specialist services which unions have to offer their members.

And the rising corporate role of the TUC has led some trade union leaders to the conclusion that the doors of greatest influence are opened to those who command the most votes at the TUC Congress.

Traditions

Trade union amalgamations involve the submerging and compromising of long historical traditions to at least as great an extent as when old-established companies merge, and they are seldom easily accomplished. Agreement among union leaders that a merger would be a good thing is of little value if their members have always had conflicting interests at local level.

The logic of amalgamations is, perhaps, most easily understood when unions representing different grades of employee in a single industry discuss the advantages of coming together—the thinking behind the current talks to create a single union for the printing industry.

Discussions in this industry have not been without their difficulties: the original timetable has already been extended and the severe demarcation disputes for which the industry is notorious, plus the unsuccessful outcome of previous amalgamation attempts, do not guarantee a successful conclusion. On the contrary, however, there are several factors giving a more than usually positive edge to the merger.

Some of the discussions taking place. Technological change in industry and inflation have combined to make smaller unions uncertain about the future. The mass of labour relations legislation of recent years has increased the number of specialist services which unions have to offer their members.

And the rising corporate role of the TUC has led some trade union leaders to the conclusion that the doors of greatest influence are opened to those who command the most votes at the TUC Congress.

Matters become more complicated when, rather than two or three single industry unions coming together as equals, a big union is seeking to attract a smaller organisation in an area of common interest. Here the issue is inevitably seen as a takeover rather than an amalgamation in the pure sense of the word and two or three large unions can sometimes be competing to woo a particularly dubious partner.

Many Boilermakers' members, particularly left-wingers, would prefer an amalgamation with the AUEW, and the engineering union renewed its approach only days after the conference decision. This does not, however, appeal to the Boilermakers' executive which dislikes both the unsatisfactory state of the existing AUEW and the sharply divided politics of the union.

The executive also believes that it is unhealthy for democracy in the trade union and Labour movement "for too much power to reside in the hands of two few giant combinations."

A tendency which largely unskilled Transport and General Workers Union beat it to a merger with the National Union of Vehicle Builders. Loss of the Boilermakers' leaders will test the general workers' union's shatter for ever the ideal of one engineering union.

What makes an old-established and industrially powerful union like the Boilermakers contemplate amalgamation at all? It is not that unions of the Boilermakers' size—or smaller—are necessarily unviable, but it becomes increasingly expensive and difficult for them to provide the facilities for research, shop steward training, specialist officials and other back-up services which the bigger unions

have all entered the TGWU. So much does the TGWU appear a single entity that it is sometimes forgotten that it was born out of amalgamation in 1922 and has since increased in size in the same way.

Organisations as varied as the Vehicle Builders, the Scottish Commercial Motormen, the Watermen, Lightermen, Tugmen and Bargemen, the Union

of Bookmakers' Employees and others have all entered the TGWU in recent years.

In complete contrast is the style of amalgamation which



Mr. Hugh Scanlon of the AUEW (left), and the Municipal Workers' leader Mr. David Basnett: rival unions for a merger with the Boilermakers

the early 1970s brought about was not the first time that these were a tremendous force through the AUEW. The unions which two unions had looked at the out Labour politics.

The potential implications of now form its engineering, foundry, construction and TASS (white collar) sections came to reach an agreement. The mes-

have not gone unnoticed in the existing AUEW. Mr. Ken Gill, Communist general secretary of

the talks are going well. Hurdles

are plentiful. The AUEW is TASS and his colleagues are organised geographically and to put it mildly, of a different

political persuasion to Mr. Chapple. To make the EPTU

merger feasible the AUEW has

to overcome its existing amalgamation difficulties and the absorption of TASS and its

elected officials while the AUEW's TASS section is led by one.

Gradually, though, the

obstacles are being overcome

At its recent conference

TASS accepted the use of the 1964 Trade Union Amalgama-

tion Act to try to overcome

some of the barriers to a com-

plete merger with the engineer-

ing section, but worried about

possible future constitutional

changes to accommodate the

four sections so publicly on

display, the exercise would

prove worth the cost of the counterbalance to the power of

postage. In fact the AUEW has the TGWU, which has more

potentially the most important

growing. Mr. Duffy, Mr.

Chapple and Mr. John Boyd—

the AUEW's general secretary

held similar political beliefs

and the trade union movement, and a strong

began talks with the AUEW. It union led by such men would

be on their way to the divorce court.

Today's Events

GENERAL
Department of Industry publishes investment intentions of manufacturing, distributive and service industries (1978 and 1979).
Richard Copley-Smith, Clapp and Pollock Europe, 230-232, Acton Lane, W4.

United Nations special session on disarmament continues, New York.
Mr. Malcolm Fraser, Australian Prime Minister, in U.S. for trade talks.

Mr. Bruce Millan, Scottish Secretary, visits Lervick to discuss with local officials a proposed Government amendment to the Scotland Bill which in simple terms, to adjudicate in any dispute between the Shetland and Orkney Islands and a Scottish Assembly.

Mr. David Ennals, Social Services Secretary, addresses Royal College of Nursing conference, Harrogate.

COMPANY MEETINGS
See Week's Financial Diary on Page 8.

EXHIBITIONS
The 62 Group (textile artists) summer exhibition, Commonwealth Institute, High Street, Kensington, W8 (until June 18).

Anglo-Jewish silver, Victoria and Albert Museum, South Kensington, S.W.7 (until July 31).

Royal Academy summer exhibition, Burlington House, Piccadilly, W1 (until August 18).

Josiah Wedgwood exhibition, Science Museum, South Kensington, W7 (until September 24).

SPORT
Cricket: First Test fourth day, England v Pakistan, Edgbaston. Golf: Amateur championship, Troon.



WHERE IN THE WORLD WILL YOU FIND STANDARD CHARTERED?

Our new operation in Dublin and Cork shows Standard Chartered active in yet another Common Market country, and ready to help you with the increasing volume of business between Ireland and the rest of the world.

Like all our 1500 Group branches and offices, StanChart Bank Ireland Limited deals direct with the appropriate Standard Chartered branch in any of 60 countries. This straight-through service saves you money and a lot of headaches too. Keith Skinner will tell you more advantages on 01-623 7500.

Standard Chartered Bank Limited
helps you throughout the world

Head Office: 10 Clements Lane, London EC4N 7AB • Assets exceed £1,000 million

Letters to the Editor

Budgeting in the EEC

These are the annual yield per cent figures on monthly premiums (ignoring tax relief) paid by a leading life company on Ordinary Branch endowment contracts maturing this year:

Young man, Middle-aged man, entry, 5.44%; 10 yrs., 4.88%.

15 yrs., 6.42%; 15 yrs., 5.84%.

35 yrs., 5.36%; 25 yrs., 6.20%.

It may be that (say) 5.44 per cent is a good average yield over the last ten years. But one wonders after all the death-risk is almost nil. More obviously,

it is regrettable therefore that the article refers only to scientists, but never to engineers, as being the people principally concerned with turning these ideas into practical realities. While the chemistry of a process is of course the vital first step on the long and uncertain road to the start-up of the first full-scale commercial unit, the problems of most subsequent steps are primarily of the ills of this world, and for the plights of the developing countries in particular, is like blaming the trade unions for inflation—and then giving them no credit when inflation lessens.

It is quite simply, to mistake the symptom—or even the doctor's helping hand—for the disease.

In fact, the growth of those multinationals has not been "financed" by—any more than it is responsible for—the chronic surpluses of others, but by the chronic (and now re-occurring) deficits of the Americans themselves, which have done so much to build up the Eurodollar market, on which they allegedly feed, to its present size.

The troubles of the Third World would be incomparably worse if that market, and its numerous other (including now petro-dollar) varieties, had not done so much to help the developing countries and others in their present hour of need.

Nor, of course, do the multinationals "get their raw materials cheaper" if those countries whether "as an IMF condition for further aid" or, more probably, for other reasons—are forced to devalue their currencies," seeing that most raw material prices are expressed in the multinationals' own.

Yet these skills (trial though they are) are of far less importance to the success of a company—and hence of British industry—than the quality of the board which decides its policies, monitors their execution and oversees these specialists.

Why is it that directorships are left wide open to son-of-fathers, retired admirals and others who have little training or experience of economic trends, customer requirements, cost-effectiveness, and the modern practice of consultation and good industrial relations?

Mr. Hildreth of the Institute of Directors has pointed out that the White Paper "disregards the need for quality in our directors. If we want prosperity and if we want full employment, our business enterprises must be led by 'boardroom teams competent to direct their companies' and of examiners that you have sufficient professional knowledge, enough experience to apply that knowledge beneficially and are a suitable person to practise."

These skills (trial though they are) are of far less importance to the success of a company—and hence of British industry—than the quality of the board which decides its policies, monitors their execution and oversees these specialists.

Even if a future Parliament plucked up the courage to make the first real valuation of the capital gains tax, it would not be until 1990 that any tax on capital gains would occur. The new valuation of 1982 would not be until 1990, if progress is to be maintained in developing the Community Budget as an instrument of public finance.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to take account of the financial situation in the European Community.

Mr. King's article is a good example of the lack of understanding of the financial situation in the European Parliament. The European Parliament is not the only body that has to

COMPANY NEWS

Turriff expects to maintain performance

A RATE of profit growth to match that achieved in 1977 is hoped for in the current year at Turriff Corporation. The overall picture for 1978 is satisfactory and the growth in proportion of profits is coming from overseas, and margins are improving, Mr. W. G. Turriff, the chairman, says.

Pre-tax profits last year rose from £0.81m to a record £1.06m on turnover down from £36.61m to £33.57m. The dividend is increased from 2.55p to 2.554p per 25p share—as reported May 12.

The group entered the current year with a reasonable order book but UK activities were adversely affected by bad weather in the first quarter.

Looking beyond 1978 the chairman says it is difficult to be very optimistic about prospects in the UK. He says that apart from the difficult business climate, the weight of legislation is becoming stifling.

However, Turriff continues to strengthen its base for future expansion. A broad geographical coverage has been built up, and a good base of specialisation and experience. Its marketing effort generally has been strengthened and the group is identifying an increasing number of opportunities.

The chairman is confident that the company should be able to secure sufficient of these on terms that will enable the group to at least maintain its position.

Mr. Turriff says overseas business will continue to be difficult to secure but with the group's ability it should obtain its share.

Good profits were earned in construction, in 1977, with industrial and commercial construction work continuing to be the primary interest of this division. The geographical coverage has been further extended to enable the group to expand more rapidly, internationally.

A successful year was obtained in the engineering and pipeline division, in spite of exceptionally bad weather, and activities in the oil and gas areas continued to grow.

Slewed business climate coupled with substantial preliminary expenditure incurred in Saudi Arabia in anticipation of future work which did not materialise, resulted in mechanical services not achieving the profit side trading basis the group was hoping for.

Overall, profits overseas were below expectations. In addition to the Saudi Arabian setback, a project in Iran incurred a considerable loss, as well as getting-up difficulties in Venezuela.

In spite of these disappointments the group continued to be active in many overseas markets on a range of different projects.

During the year the group undertook a thorough review of the way it undertakes and develops its overseas activities and it was decided to combine the group's total skills and experience into a single international organisation. As a result Turriff International was established.

The following companies have notified the following to the Stock Exchange:

Associated British Foods June 8
Great Portland Estates June 8
Hill Samuel & Welch June 8
Hill Samuel Northern Securities Trust June 12

BOARD MEETINGS

The directors consider it likely that the sale of the company's properties now would realise a surplus on cost.

The directors believe that the cost of a full professional valuation of properties every year is not justified when there is no present intention of selling them, but as the portfolio is significant in relation to the company's strategy they are considering having a full valuation for inclusion in next year's accounts.

FUTURE DATES

Armitage Shanks June 8
Associated British Foods June 8
Great Portland Estates June 8
Hill Samuel & Welch June 8
Hill Samuel Northern Securities Trust June 12

TODAY

Interims—Martin the Newsagent, St. John's Rey Minster.

Ayrshire Metal sees recovery

Despite the disappointing results of the second half of 1977, Mr. W. S. Wilson, chairman of Ayrshire Metal Products, hopes that the first six months of the current year will produce a similar outcome to the first half last year, when favourable earnings reached £408,000.

For the whole of 1977 profit was down from £700,590 to £671,275 on sales of £13m. (19.68m)—as reported May 26. The net dividend is 3.5125p (3.1776p).

The reasons for the fall were threefold. Firstly an £88,000 increase in group bad debts, a £45,000 loss in Scandinavia, and considerable maintenance and site improvements carried out at Irvin which will continue during 1978.

Working capital at year end was up £17,750 (£22,580) with bank overdrafts lower at £183,239 (£216,193). Capital spending contributions amounted to £11,500 (£75,000).

Sales and profit were split as follows:

UK £12.65m (£9.38m) and

£709,869 (£700,419) and France

Sweden £348,557 (£300,713)

and loss £88,594 (profit £171).

All factories were operating at a high level of activity throughout most of the year, except the St. Helens unit which showed a dip in the second half as a result of a fall back in its traditional markets.

Plans are well under way to change the market base at St. Helens, and at the same time bring about a general streamlining of its operations.

At Irvine capacity was at full stretch throughout the year with the exception of partitions. The new forming line at Metal Trim, Daventry, is fully operational and is making a significant contribution, but Metal Trim Scandinavia had a difficult year as a result of problems associated with obtaining necessary technical approval of the product, and the dramatic downturn of activity in this area.

OVER 95% ACCEPT ROWNTREE RIGHTS

Rowntree Mackintosh announces that acceptances have been

received in respect of approximately 95 per cent of the 10.8m shares offered by way of rights to shareholders at 345p per share. The shares not taken up have been sold at a net premium over the issue price of approximately 58.5p per share which will be distributed in proportion among eligible shareholders. No payment will be made for any amount of less than £1.

The PRESENT outlook for More O'Ferrall in Great Britain and Ireland for the rest of 1978 gives the directors cause to be confident that the year's results will show continuing improvement on the £0.94m seen last year.

In his annual statement Mr. E. R. More O'Ferrall, the chairman, says that the return of confidence which boosted demand for the company's superannuation products through 1977 has remained strong in the current year and the benefit of plant investment and marketing innovations is now visible. In the UK, therefore, the company is enjoying a much higher rate of sale than in former years.

The directors believe that their marketing strategies will not only allow them to achieve the maximum potential from plant in the current buoyant conditions, but also give them a firm base even if the general demand for outdoor space should slacken.

They are continuing to expand investment in France and Belgium and are finding a very encouraging response from the advertising market. The company's new arrangement with France Rail Publicis will provide significant gains in the Paris region in 1978, the chairman states.

Conditions in France now appear to be returning to normal following the election and the directors expect rising profit in this market. In Belgium the number of sites is being increased with resulting improvement in revenue and profit.

Group taxable profit in 1977 soared to £940,781 (£370,091) and the net dividend is stepped up to 3.3987p (3.0488p).

Further progress in both turnover and profit was made by the subsidiaries operating in France and Belgium and the 50 per cent owned Adshel bus stop shelter advertising concern lifted profit to £18.000 (£14,000).

Liquidity was up £6.000 (down £2.000) at year end with bank overdrafts standing lower at £87,421 (£116,433) bank balances and cash higher at £74,270 (£31,589) and short-term loans and deposits up from £80,011 to £130,461.

The chairman states that the year's investment must be looked at in the longer term and the directors still feel that it would not be in his best interests of shareholders to sell the company's property portfolio, particularly as rent reviews are due on the majority of properties in the near future.

These securities having been sold, this announcement appears as a matter of record only.

NEW ISSUE MAY, 1978



Finnish Export Credit Ltd.

(Suomen Vientiluotto Oy-Finlands Exportkredit Ab)

Kuwaiti Dinars 7,000,000

7½ per cent. Guaranteed Notes due 1983

Unconditionally and irrevocably guaranteed by the

Republic of Finland

Issue Price 100 per cent.

Kuwait Investment Company (S.A.K.)

Kansallis-Osake-Pankki

Bank of Helsinki Ltd.

Abu Dhabi Investment Company
Alahli Bank of Kuwait (K.S.C.)
Algemene Bank Nederland N.V. (Bahrain Branch)
American Express Middle East Development Company
S.A.L.
Arab African Bank - Cairo
Arab Finance Corporation S.A.L.
Arab Financial Consultants Company S.A.K.
Arab Investments for Asia (Kuwait) K.s.c.
Arab-Malaysian Development Bank BERHAD
Arab Trust Company K.S.C.
B.A.I.I. (Middle East) Inc.
Bahrain Investment Company B.S.C.
Bank of Bahrain and Kuwait B.S.C. - Kuwait Branch
Bayerische Vereinsbank International
Societe Anonyme
Burgan Bank S.A.K. - Kuwait
Citicorp International Group - Bahrain
Dillon, Read Overseas Corporation
European Banking Company Limited
Europes Banking Company (Qatar) Limited
Financial Group of Kuwait K.S.C.
First Boston AG
The Gulf Bank k.s.c.

The Industrial Bank of Kuwait K.S.C.
Kredietbank N.V.
Kredietbank N.V. - O.B.U. (Bahrain)
Kuwait Financial Centre S.A.K.
Kuwait Foreign Trading Contracting & Investment Co. (S.A.K.)
Kuwait International Finance Company S.A.K.
"KIFCO"
Kuwait International Investment Co. s.a.k.
Manufacturers Hanover Limited
Merrill Lynch International & Co.
National Bank of Abu Dhabi
National Bank of Bahrain, Bahrain
The National Commercial Bank, Saudi Arabia
The National Bank of Kuwait S.A.K.
Nederlandse Credietbank N.V.
Al Saudi Banque
Societe Centrale de Banque
Union de Banques Arabes et Europeennes - U.B.A.E.
Union de Banques Arabes et Francaises - U.B.A.F.
Bahrain Branch
Wardley Middle East Limited
Wood Gundy Limited



Sir Arthur Norman, chairman of De La Rue Company which is expected tomorrow to announce its 1977/78 results.

Confidence at More O'Ferrall

The PRESENT outlook for More O'Ferrall in Great Britain and Ireland for the rest of 1978 gives the directors cause to be confident that the year's results will show continuing improvement on the £0.94m seen last year.

In his annual statement Mr. E. R. More O'Ferrall, the chairman, says that the return of confidence which boosted demand for the company's superannuation products through 1977 has remained strong in the current year and the benefit of plant investment and marketing innovations is now visible. In the UK, therefore, the company is enjoying a much higher rate of sale than in former years.

The directors believe that their marketing strategies will not only allow them to achieve the maximum potential from plant in the current buoyant conditions, but also give them a firm base even if the general demand for outdoor space should slacken.

They are continuing to expand investment in France and Belgium and are finding a very encouraging response from the advertising market. The company's new arrangement with France Rail Publicis will provide significant gains in the Paris region in 1978, the chairman states.

Conditions in France now appear to be returning to normal following the election and the directors expect rising profit in this market. In Belgium the number of sites is being increased with resulting improvement in revenue and profit.

Group taxable profit in 1977 soared to £940,781 (£370,091) and the net dividend is stepped up to 3.3987p (3.0488p).

Further progress in both turnover and profit was made by the subsidiaries operating in France and Belgium and the 50 per cent owned Adshel bus stop shelter advertising concern lifted profit to £18.000 (£14,000).

Liquidity was up £6.000 (down £2.000) at year end with bank overdrafts standing lower at £87,421 (£116,433) bank balances and cash higher at £74,270 (£31,589) and short-term loans and deposits up from £80,011 to £130,461.

The chairman states that the year's investment must be looked at in the longer term and the directors still feel that it would not be in his best interests of shareholders to sell the company's property portfolio, particularly as rent reviews are due on the majority of properties in the near future.

These securities having been sold, this announcement appears as a matter of record only.

NEW ISSUE MAY, 1978

Tootal hopes to improve after dull start

The current year at Tootal, the textile manufacturing group, has opened in the same dull conditions seen towards the end of 1977/78, but improvement is hoped for in the second-half, says Sir George Kenyon, the chairman, in his annual review.

In the longer term, the group is making its dispositions to be ready for the improvement in international trade which must eventually come and the greater stability provided by the recently negotiated Multi-Fibre Agreement augurs well he says.

The group is well placed to take advantage of the opportunities available.

Current year results will depend to a large extent upon the degree of expansion of world trade and a recovery in consumer spending in the UK.

As reported on April 28, group pre-tax profit advanced from £17.78m to a record £21.77m for the year to January 31, 1978, and the net dividend is stepped up to £7.219 on turnover of £753,886 against £811,388.

Third Mile recently purchased a debt from National Westminster Bank and another from Slater Walker, owing to each of them by Sembah (Holdings), amounting to £186,907 and £73,658 respectively.

Total purchase consideration was £43,500 and completion was effected by a cash payment from the company's liquid resources. Further negotiations with South Africa are taking place, Mr. Rice says. Third Mile currently has a 7.39 per cent stake in Sembah.

He adds, however, that for a better estimation of the full year's results, he says it will be necessary to wait until the first half results are known and when the summer months stationary sales, as well as increased competition, can all be assessed.

As reported on May 11 net profit for 1977 was £72,253 compared with £7.219 on turnover of £753,886 against £811,388.

Third Mile recently purchased a debt from National Westminster Bank and another from Slater Walker, owing to each of them by Sembah (Holdings), amounting to £186,907 and £73,658 respectively.

Total purchase consideration was £43,500 and completion was effected by a cash payment from the company's liquid resources. Further negotiations with South Africa are taking place, Mr. Rice says. Third Mile currently has a 7.39 per cent stake in Sembah.

He adds, however, that for a better estimation of the full year's results, he says it will be necessary to wait until the first half results are known and when the summer months stationary sales, as well as increased competition, can all be assessed.

As reported on May 11 net profit for 1977 was £72,253 compared with £7.219 on turnover of £753,886 against £811,388.

Third Mile recently purchased a debt from National Westminster Bank and another from Slater Walker, owing to each of them by Sembah (Holdings), amounting to £186,907 and £73,658 respectively.

Total purchase consideration was £43,500 and completion was effected by a cash payment from the company's liquid resources. Further negotiations with South Africa are taking place, Mr. Rice says. Third Mile currently has a 7.39 per cent stake in Sembah.

He adds, however, that for a better estimation of the full year's results, he says it will be necessary to wait until the first half results are known and when the summer months stationary sales, as well as increased competition, can all be assessed.

As reported on May 11 net profit for 1977 was £72,253 compared with £7.219 on turnover of £753,886 against £811,388.

Third Mile recently purchased a debt from National Westminster Bank and another from Slater Walker, owing to each of them by Sembah (Holdings), amounting to £186,907 and £73,658 respectively.

Total purchase consideration was £43,500 and completion was effected by a cash payment from the company's liquid resources. Further negotiations with South Africa are taking place, Mr. Rice says. Third Mile currently has a 7.39 per cent stake in Sembah.

He adds, however, that for a better estimation of the full year's results, he says it will be necessary to wait until the first half results are known and when the summer months stationary sales, as well as increased competition, can all be assessed.

As reported on May 11 net profit for 1977 was £72,253 compared with £7.219 on turnover of £753,886 against £811,388.

Third Mile recently purchased a debt from National Westminster Bank and another from Slater Walker, owing to each of them by Sembah (Holdings), amounting to £186,907 and £73,658 respectively.

Total purchase consideration was £43,500 and completion was effected by a cash payment from the company's liquid resources. Further negotiations with South Africa are taking place, Mr. Rice says. Third Mile currently has a 7.39 per cent stake in Sembah.

He adds, however, that for a better estimation of the full year's results, he says it will be necessary to wait until the first half results are known and when the summer months stationary sales, as well as increased competition, can all be assessed.

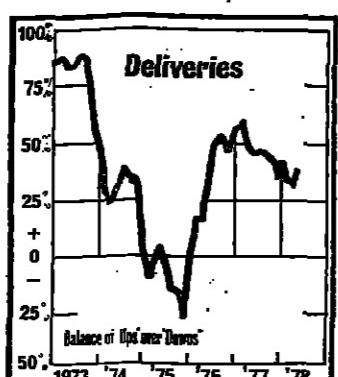
FT Monthly Survey of Business Opinion

GENERAL OUTLOOK

Optimism on the wane

OPTIMISM about both the general business situation and the outlook for the UK economy has been waning visibly since the beginning of the year, and last month's survey showed that the trend has not halted.

As one might expect at this stage of the recovery, with consumer demand leading the way, the level of confidence in the two consumer orientated sectors covered last month—stores and consumer services, and cars and consumer durables—is significantly higher than in the third sector, electrical engineering. But, even in the first two sectors, the level of optimism was lower than in January.



At a more tangible level, the electrical engineering and cars/

consumer durables sectors were less inclined than they had been when they were last surveyed four months ago to expect their export volume to be greater over the next 12 months.

An increasing number of companies throughout industry are also now citing the level of export orders as one of the constraints on their output.

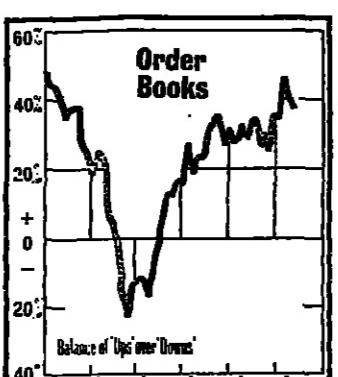
All in all, the outlook is dominated by the slow rate of recovery in the UK and abroad, plus some concern over the next phase of wages policy and the uncertainties generated by the coming election.

ORDERS AND OUTPUT

Only a partial recovery

CONSUMER demand continues to rise but the upturn is a slow one and it has yet to filter through to the non-consumer goods sectors of industry.

This is shown by the contrasting reports for orders and deliveries last month. In the stores and consumer services sector the rising trend continued but both the electrical engineering and cars/consumer durables sectors were less inclined to report an improvement than they had been in January. The net result was a decline in the overall balance of "ups" over "downs" for orders.



The electrical engineering and stores/consumer services

sectors were also more inclined to say that their level of purchases over the next four months would remain the same rather than increase.

Looking further ahead, the stores/consumer services sector had become slightly more bullish about sales volume over the next 12 months, whereas the other two sectors had become less so.

All in all, with an election in the offing and other industrial countries relating relatively slowly, the outlook was said to be tinged with a good deal of uncertainty.

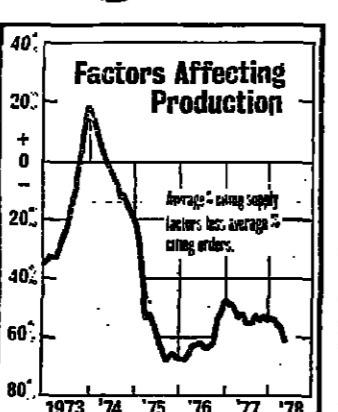
CAPACITY AND STOCKS

Labour shortages recur

THE PREVALENCE of labour recruitment difficulties at so early a stage of the upturn—and one which, moreover, is still largely confined to the consumer goods sectors—is both remarkable and worrying.

The difficulties have been cited for some months and apply to all three categories of manpower listed in the table—executive staff, skilled factory personnel, and manual labour.

In electrical engineering, the complaints ranged from senior personnel to engineers and scientists, inspectors, and grade fitters, marketing staff, unskilled staff. In cars, high mechanics and repair personnel



were cited. In stores and consumer services, it was good quality store managers, and hotel and catering staff.

Taxes and pay policy were widely blamed. Differentials had been compressed and it was difficult to persuade people to work overtime. Pay restrictions were also given as one of the reasons for the frequency with which labour disputes are being cited as a constraint upon production.

The biggest constraint, however, continues to be order levels including, for an increasing proportion of companies, export orders.

CAPACITY WORKING

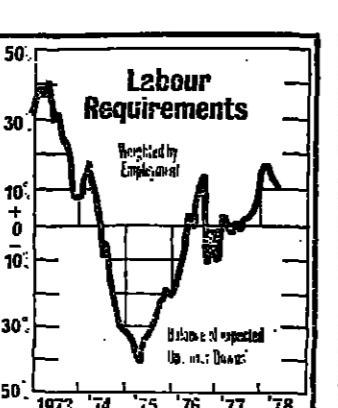
	4 monthly moving total				May 1978			
	Feb.-May %	Jan.-Apr. %	Dec.-Mar. %	Nov.-Feb. %	Elect. Eng'g. %	Consumer Durables %	Stores %	
Above target capacity	10	9	10	9	4	25	17	
Planned output	54	56	57	60	73	57	67	
Below target capacity	35	34	32	31	23	18	16	
No answer	1	1	1	—	—	—	—	

INVESTMENT AND LABOUR

Reluctant to recruit

THE PROSPECT of reducing the number of unemployed has waned, with more firms now expecting to make do with the same or a smaller labour force and fewer firms expecting an increase. This month it was the electrical engineering sector in particular which has scaled down its forward requirements.

The main factor by far was the lack of demand, actual and foreseeable. This reason was mentioned by 66 per cent (weighted) of respondents in the last four months as against only 38 per cent in the November-February period.



After demand, the other increased investment spending reasons given have been in remain reasonably good.

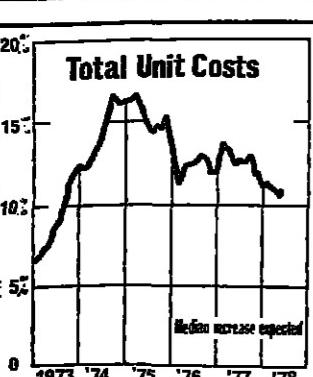
descending order, the potential cost of redundancy payments, plans to raise productivity, difficulty in recruiting staff with suitable skills, other aspects of employment legislation (besides the cost of redundancy payments), high wage and other labour costs, and uncertainty about the future.

Companies often made the point that, because of recent employment legislation, they now had to be much more certain of an upturn before they took on more labour.

Meanwhile, the prospects for

COSTS AND PROFIT MARGINS

Inflation rate steadies



contract to the government which are taking the Government's "black list" seriously. Elsewhere, there appears to be a greater readiness to take a more flexible attitude to the official guidelines.

The outlook for profitability has brightened a little. For profit margins, the "ups" now almost equal the "downs", while for earnings on capital employed the balance of "ups" has become a little larger.

The stores/consumer services and the cars/durables sectors have both raised their earnings expectations, while the electrical engineering sector has become more bullish about margins.

These surveys, which are carried out for the Financial Times by the Taylor Nelson Group, are based upon extensive interviews with top executives.

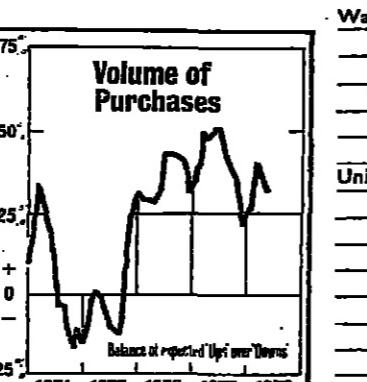
Three sectors and some 30 companies expecting a deterioration in unit costs are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

of the turnover of all public companies. The weighting is by market capitalisation, save where alternative methods of weighting are cited.

The all-industry figures are four-monthly moving totals covering some 120 companies in 11 industrial sectors (mechanical engineering is surveyed every second month). Complete tables can be purchased from Taylor Nelson and Associates.

Three sectors and some 30 companies expecting a deterioration in unit costs are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.



COSTS

Unit cost rise by:

	Feb.-May %	Jan.-Apr. %	Dec.-Mar. %	Nov.-Feb. %	Elect. Eng'g. %	Consumer Durables %	Stores %
5-9%	12	9	10	5	28	13	13
10-14%	66	67	64	74	45	100	87
15-19%	12	13	11	10	4	—	—
20-24%	2	2	2	—	—	—	—
No answer	8	9	13	11	23	—	—

Unit cost rise by:

	Feb.-May %	Jan.-Apr. %	Dec.-Mar. %	Nov.-Feb. %	Elect. Eng'g. %	Consumer Durables %	Stores %
0-4%	—	1	1	3	—	—	—
5-9%	34	39	36	24	50	68	14
10-14%	52	49	48	60	23	26	80
15-19%	4	5	7	6	—	—	3
20-24%	3	4	3	—	—	—	—
Same	—	—	—	1	—	—	—
Decrease	1	—	—	1	4	—	—
No answer	6	3	5	5	23	6	3

Profit margins:

	Feb.-May %	Jan.-Apr. %	Dec.-Mar. %	Nov.-Feb. %	Elect. Eng'g. %	Consumer Durables %	Stores %
Improve	32	23	26	24	73	40	50
Remain the same	30	41	41	23	23	17	23
Contract	35	33	29	29	4	43	14
No comment	5	3	4	4	—	—	13

INFLATION expectations have remained very steady in recent months, with the median forecast increase in wage costs over the coming 12 months ranging around 12 per cent for total unit costs about 10-11 per cent, and output prices 10 per cent. There is no sign so far of companies expecting a deterioration in unit costs.

Three sectors and some 30 companies are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.

Three sectors and some 30 companies are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.

Three sectors and some 30 companies are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.

Three sectors and some 30 companies are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.

Three sectors and some 30 companies are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.

Three sectors and some 30 companies are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.

Three sectors and some 30 companies are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.

Three sectors and some 30 companies are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.

Three sectors and some 30 companies are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.

Three sectors and some 30 companies are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.

Three sectors and some 30 companies are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.

Three sectors and some 30 companies are covered in turn every month. They are drawn from a sample based upon the FT-Actuaries' Index, which

accounts for about 60 per cent Taylor Nelson and Associates.

Lec Refrigeration

Points from the Accounts and Statement by the Chairman, Mr. C. R. Purley.

★ Turnover up by 20.3% to a new record of £26.7 million, exports up to £7.7 million from £4.9 million.

★ Pre-tax profit of £1,644,489 (1976 - £1,769,155) satisfactory in a difficult trading year. Total dividend for year 3.9306p maximum permitted.

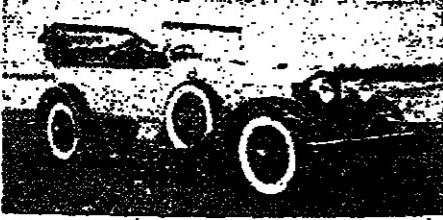
★ Sales for first quarter of 1978 show an increase of 13%, hopeful of another successful year.

SHIPNEY WORKS, BOGNOR REGIS
WEST SUSSEX

MOTOR CARS

VINTAGE CAR AUCTION

ALEXANDRA PALACE, FRIDAY JUNE 9th



This magnificent 1924 Brewster Salamanca is one of two mint Silver Ghosts entered; also 1925 Supercharged Mercedes, Type 44 Bugatti, Alvis, Lagondas, Astons, Austin Sunbeams, etc.

Further entries invited. Catalogues £1.50.

MIKE CARTER SALES LTD.

14, BROADWAY, S.W.1. Enquiries 01-834 9225

Notice of Redemption

SLATER, WALKER INTERNATIONAL FINANCE LIMITED

7½% Guaranteed Sterling/Deutsche Mark Bonds Due 1987

NOTICE IS HEREBY GIVEN to bearers of the above Bonds that pursuant to the provisions of paragraph 6 (A) of the terms and conditions applicable to and printed on the reverse of such Bonds, Slater, Walker International Finance Limited has elected to exercise its option to redeem, on 30th June, 1978, all such Bonds outstanding at the redemption price of 102.1% of the principal amount thereof (namely £511.25 or DM 2,291.50 in respect of each Bond), together with the amount of interest accrued in respect of each Bond to the said date.

Payments will be made at the main offices of the Paying Agents in Sterling or, if the bearer shall so elect as provided below, in Deutsche Marks (at the fixed rate of DM 8.40 to £1), upon presentation and surrender of Bonds together with all Coupons in respect thereof maturing after 30th June, 1978. The face value of missing unmatured Coupons will be deducted from the sum due for payment.

Bearers should note that the Principal Paying Agent and the other Paying Agents are now those mentioned below, and that some of these differ from those mentioned on the reverse of the Bonds.

STERLING PAYMENTS will be made in Sterling in London or, at the option of the bearer, by transfer to a Sterling account or by Sterling draft drawn on the Sterling account maintained by the Paying Agent from whom payment is required.

DEUTSCHE MARK PAYMENTS will be made in Deutsche Marks in Frankfurt-am-Main or, at the option of the bearer, by transfer to a Deutsche Mark account or by Deutsche Mark draft drawn on the Deutsche Mark account maintained by the Paying Agent from whom payment is required.

TO OBTAIN PAYMENT IN DEUTSCHE MARKS BEARERS MUST DEPOSIT THEIR BONDS AND COUPONS, TOGETHER WITH FORMS OF INSTRUCTION FOR PAYMENT IN DEUTSCHE MARKS (AVAILABLE FROM THE PAYING AGENTS) DULY COMPLETED, WITH THE PAYING AGENT FROM WHOM PAYMENT IS REQUIRED NOT LATER THAN THE CLOSE OF BUSINESS ON 16TH JUNE, 1978, FAILING WHICH PAYMENT WILL BE MADE IN STERLING AND BEARERS WILL LOSE THE CONSIDERABLE ADVANTAGE OF THE FIXED RATE OF DM 8.40 TO £1.

After 30th June, 1978 interest will cease to accrue on the Bonds.

PRINCIPAL PAYING AGENT

The First National Bank of Chicago

Frankfurt-am-Main

London

Brussels

Paris

Milan

OTHER PAYING AGENTS

Deutsche Bank Aktiengesellschaft

Frankfurt-am-Main

Kreditbank S.A. Luxembourgeoise

Luxembourg

First Chicago International Banking Corporation

New York City

Slater, Walker International Finance Limited.

30th May, 1978

Notice to Shareholders of

MAGNUM FUND LIMITED

OF A

CASH OFFER

by

COPTHALL (TILBURG) B.V.

To Purchase all the Common Shares of Magnum Fund Limited

Copthall (Tilburg) B.V. is offering to purchase in cash in United States funds, any and all of the common shares of Magnum Fund Limited ("Magnum"), at a price per common share equal to 90% of the net asset value per common share on June 26, 1978. The purchase price will be determined jointly by the auditors of Magnum and Price Waterhouse & Co. not later than July 14, 1978 in accordance with the formula set forth in the Offer.

Shareholders desiring to accept the Offer must deposit before 4.30 p.m. (local time) on July 5, 1978, both (i) certificates or bearer share warrants representing the shares of Magnum, deposited pursuant to the Offer, and (ii) a duly completed Acceptance Letter accompanied by any necessary evidence of authority to act with either of the following:

NATIONAL TRUST COMPANY, LIMITED

21, King Street East, Toronto, Canada, M5C 1B3

Attention: Stock Transfer Department (Telephone: 416-364-9141)

BANQUE OCCIDENTALE pour l'Industrie et le commerce

65-68, Leadenhall Street, London, England EC3A 2EA

(Telephone: 01-491 3731)

A shareholder may also deposit his shares of Magnum as aforesaid with a bank or other financial institution provided one of the companies listed above is notified of the deposit before 4.30 p.m. (local time) on July 5, 1978 and such bank or financial institution holds the shares deposited pursuant to the Offer, and may be obtained at either of the above addresses:

COPTHALL (TILBURG) B.V.
Per:
Joseph Schudlenfrei
General Manager

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Western Australia borrowing targets

By Michael Blanden

WESTERN AUSTRALIA expects to borrow up to AS\$800m (US\$1.12m) a year, rising to perhaps AS\$500m by about 1990, to support the development of its rich mineral resources.

This was stated in London by Sir Charles Court, premier of Western Australia, as part of his European visit to interest bankers in the State's prospective growth.

The move follows the changes which, for the first time, have enabled the individual states of Australia to enter the international markets for funds, rather than relying on the Commonwealth to provide finance.

Sir Charles underlined the potential of Western Australia's resources, including coal, iron ore, oil/gas and possibly oil, aluminium and uranium. He emphasised that any international borrowing, while with a State guarantee, would be linked to specific projects and justified on their own profitability.

He described a number of infrastructure projects planned by the State, including a \$400 gas pipeline.

Ennia margins improve again

By Charles Batchelor
AMSTERDAM, June 4.

ENNIA, the Dutch insurance group, said gross receipts rose by nearly 14 per cent in the first three months of 1978 while expenses rose by only 6 per cent.

The board maintains its earlier view that profits per share will rise somewhat this year despite an increase in share capital.

Net profit rose 20 per cent in 1977 to Fl 42.9m (\$19m) on gross receipts 21 per cent higher at Fl 1.85bn (\$82m). Expenses rose by 9 per cent.

JAPANESE POWER COMPANIES

BY YOKO SHIBATA

DESPITE a slump in power consumption reflecting sluggish industrial activity, Japan's nine major electric utilities put up favourable earnings performance in the half year to March.

Exchange gains due to yen appreciation totalled Yt2.24bn (\$22.5m). Four companies in particular, Tokyo, Tohoku, Chubu and Hokkaido, posted record current profits. Eight of the companies (Hokkaido being the odd man out) retained Yt4.8bn out of exchange gains in special reserve funds.

For the current year ending March, 1979, the nine power companies expect combined exchange gains of Yt2.00bn, against the record 9.14bn of fiscal 1977.

In particular, Tokyo Electric expects exchange gains for fiscal 1978 of Yt0.8bn (\$7.8m) in fiscal 1977, Kansai Electric Yt0.4bn (\$22.5m) and Chubu Electric at Yt3.8bn (\$18bn). The exchange gains are big enough to cover

large capital investments by the review, household consumption nine and, of course, to maintain electricity rose by 3.1 per cent over the previous year, while industrial consumers such as steel and textiles declined by 1.7 per cent, leaving national electricity consumption just 2.7 per cent.

During the half-year under review, household consumption

Combined current profits for the six months rose by 14 per cent to Yt26.1bn of which combined exchange gains accounted for 28 per cent. Kansai and Hokuriku Electric suffered setbacks in current profits due to a dry spell which increased their fuel cost burden.

HALF-YEAR TO END-MARCH, 1978*

	Operating revenue (Ybn)	rise %	Current profits (Ybn)	rise %	Net profits (Ybn)	rise %	Exchange gains (Ybn)
Hokkaido	107.4	10.0	9.3	13.6	5.4	19.6	nil
Tohoku	271.6	4.0	24.8	25.5	13.2	27.2	4.3
Tokyo	889.9	5.5	78.3	14.7	39.9	34.7	30.0
Chubu	439.0	4.5	40.8	18.4	22.7	40.7	14.0
Hokuriku	101.6	2.6	8.4	(-7.4)	6.3	39.4	2.4
Kansai	531.9	3.6	37.7	(-0.9)	28.2	24.7	17.2
Chugoku	212.4	1.9	17.1	16.5	11.1	43.5	1.2
Shikoku	109.9	4.0	11.1	6.4	5.2	12.6	0.5
Kyushu	265.1	8.5	23.7	38.5	12.6	51.0	2.6

* Accounting to be changed to annual basis from March 1979 term.

Rockwell in talks

ROCKWELL INTERNATIONAL CORP. said it entered into preliminary discussions for the possible sale of its aviation division to American Jet Industries, Reuter reports from Pittsburgh.

Rockwell said the discussions related to the Bethany, Okla., operation of the division which makes and sells the Turbo Commander 690B, Commander 700, Commander 112TC, Commander 114 and the Shrike Commander 500 aircraft. American Jet said if it acquires the Rockwell division, it will continue to support all of its present programmes.

The model 500 Basler aircraft programme would be moved to the Bethany facility for final development and production.

American Jet said the companies said they have not yet reached any agreement. No other details were given.

CANADIAN NEWS

Profits improve at the banks

BY ROBERT GIBBENS

Canadian Imperial Bank of Commerce, which competes with the Royal Bank for top position in size, has reported earnings of C\$38.2m (US\$35m) for its second fiscal quarter against C\$34.9m on revenues against S\$8.2m.

However a comparable rate of improvement should not be expected in the rest of the year.

In the first half ended April 30, earnings were \$81.6m against \$88.8m on revenues of \$13.8m against \$11.8m. Figures are after tax but before loss appropriation.

Assets at April 30 were \$84.9bn against \$82.9bn a year earlier.

The bank said that earnings from domestic operations improved sharply from depressed levels a year earlier. The improvement also resulted from higher assets and interest mar-

gins. Earnings from international operations also increased despite lower demand for commercial loans and narrowing margins.

closed that it plans a rights offer of two new shares at C\$14.25 a share for every nine shares already held. The offer expires July 12, and is designed to bring capital into better balance.

* * *

THE WESTERN utility, British Columbia Telephone, is making a rights issue National earned C\$6.5m on the basis of one new share at C\$14.25m in second quarter, C\$14.30 for every five shares held against C\$5.5m a year earlier, of record June 8. The rights expire on July 6. General Telephone of the U.S., which owns 51 per cent, will subscribe fully for its rights. The issue will bring in nearly \$84m of new money to meet the utility's capital spending programme.

Chisso stock to be de-listed

TOKYO, June 3. CHISSO CORP. shares will be delisted from Japan's seven stock exchanges from next September or October. It failed to comply with the new stock exchange listing standards effective from March 31, the Tokyo Stock Exchange said.

The standards call for a company to be delisted if its debts are in excess of equity in the last three-year period and if no dividend is paid for five years, it said.

On Friday, the chemical company said it had an after-tax deficit of Yt8.84bn (\$839.9m) for the year ended March 31, this year, compared with a deficit of Yt4.78bn in the preceding year.

Hit by the recession and burdened with compensation to residents in Southern Kyushu suffering from mercury poisoning, Chisso's cumulative deficits rose to Yt33.9bn in the year ended March 31 from Yt27.6bn in the preceding year with its debts Yt27.6bn in excess of equity compared with Yt18.8bn in the preceding year.

Reuter

Ads switch at Schlitz

JOS. SCHLITZ Brewing Company said it named two new advertising agencies to handle two of its major brands, AP-DJ reports from Milwaukee.

J. Walter Thompson Company was named as the agency for Schlitz beer and Benton and Bowles for Schlitz malt liquor. Leo Burnett Company had been the agency for both brands.

McCann-Erick

The 1979 Financial Times diary shows a number of improvements over the 1978 Financial Times diary.

Firstly, design.

We commissioned James Shurmer, who has produced work for the National Gallery, to completely revise the interior styling.

He provided us with a nicely understated thin-line treatment of the main diary, together with a matching design for the information sections.

Secondly, it occurred to us that there were insufficient months in the year.

Hence the 1979 FT diary starts on November 27th, 1978, and finishes on February 3rd, 1980.

So you can slip into 1979 whenever it suits you.

We've also extended the business information section. It gives a comprehensive list of useful information sources in thirty countries of the world.

You can trace anything from a Belgian consumers' association to a Polish translation agency.

On the subject of translation, the diary also contains a French and German business vocabulary covering everything from 'cash' to 'collateral'.

It could help make letters from abroad a lot easier to understand.

Next, we thought we'd put an end to writer's cramp.

To save you having to copy out hundreds of addresses and telephone numbers at the end of each year, we've incorporated a detachable address booklet.

Now, on the assumption that you do a fair bit of travelling, we've listed the passport, visa and vaccination requirements of all major countries, along with world time-zones and air-travel distances. There is also a superb 48-page colour atlas.

Statistics, we thought, were vital.

In the 1979 FT diary you'll find an 18 page section containing analysis charts, monthly expense sheets, weights and measures, metric conversion tables, both metric and imperial graphs, and international clothing sizes.

Finally, we decided that no-one wants a marker-ribbon that falls to bits, so we've attached a non-fraying marker ribbon.

In addition to the desk diary, there's a slim pocket diary and wallet, in black leather, with strengthened corners and real gold lettering.

It contains a colour map of the City of London, tube and inter-city maps, a list of recommended hotels and restaurants, information on road, rail and air travel in Europe, calendars, world

Found on top desk tops.



time zones and metric conversion tables.

We've also designed an attractive matching address book.

If required, the desk diary, pocket diary and address book can all be gold-blocked with either your initials or company name and logo.

So you can give either yourself, your staff or your best clients a personalised gift.

Which will add a very nice perspective to any desk top.

To: Geoffrey Phillips, The Diary Manager
Business Publishing Division, Financial Times Limited,
Minster House, Arthur St, London EC4R 9AX Tel: 01-623 1211
Please send me your brochure and order form.

NAME _____

POSITION _____

COMPANY _____

ADDRESS _____

TELEPHONE _____

DATE _____

FINANCIAL TIMES DIARY.

FINANCIAL TIMES SURVEY

Monday June 5 1978

Word Processing

Although the technical development of word processing equipment is well ahead of demand at the moment, some manufacturers foresee 40 per cent growth in the UK alone this year. Projections of growing demand in Europe and the U.S. suggest that it will become essential office equipment.

THE RELATIVE sluggishness of the market for word processing equipment makes an extraordinary contrast with the rapidity with which the products themselves are developing. Almost every month one or more companies which are currently marketing word processing equipment announce a new product or system.

A complete new vocabulary has grown up to describe the technology of automatic typing and computer-aided text editing, which is still far in advance of what still happens in most offices.

While the experts are discussing the competing merits of daisy wheel and ink jet printers or video display units (VDUs) versus "thin window" plasma display, it is sobering to remember that almost half the typewriters in use in the UK today have not yet been converted from manual to electric and that only about 2 per cent of typewriters sold have any sort of electronic memory.

Challenge

The general slowness to automate the production of letters and documents does however represent a challenge and an opportunity for manufacturers, as the large sums spent on research and development clearly show.

It now appears that after a sustained campaign for the equipment which handles stores and prints out text, the wider acceptance of word processing manufacturers are sophisticated products, and in only recently with the development of the microprocessor (a beginning to see their efforts rewarded.

Olivetti, for example, is predicting a growth of 30 per cent to 40 per cent in the UK market this year, admitted from a fairly small base. More cautious estimates, however, put current growth at 15 per cent to 20 per cent. Although market estimates vary, it is generally agreed that about 7,000 word processing systems are now installed in the UK and that sales this year will be between 2,000 and 3,000 units. However, because of the very rapid advance of equipment it is now somewhat difficult to define what word processors essentially are.

The general definition adopted for this Survey follows the precedent of IBM in 1964 when the phrase was coined to describe all automatic equipment used to help the preparation of documents from conception through the dictation stage to the printing of the final draft.

From the office manager's point of view this definition is helpful because it focuses attention on the competing claims for investment from different types of equipment aimed to increase office efficiency. For example, in some offices sophisticated dictation equipment may be a better buy than automatic typewriters, or it may be evident that both are needed.

The use of the term "word processing" is, however, generally becoming narrowed so that it refers only to computer-like computer techniques to the secretarial task became possible on another machine. This "optical character recognition" (OCR) allows a word processor

developed from piece of silicon and reduced to be used for storing or editing movement in this direction; machines which originated in them, as microprocessors and documents which originated in them, as microprocessors and solid state memories continue to fall in price, the addition of tape rather in the manner of the electronics revolution.

The more complicated systems, are, however, relatively standard among the piano, to produce standard. This process of refinement and adaption of computer equipment for a mass office market is still in full swing.

The most sophisticated typing

reached, it would be very difficult to predict any limit to the standard letters, lengthy documents and pro formas, it seems that the improvement could be between 100 and 150 per cent.

Within Europe, the main markets are France, Germany and the UK of which Germany is the largest, probably because the high wages paid to secretaries make word processing equipment a more obvious economic proposition there.

The current number of word processors installed in Europe is estimated at around 100,000 units compared with perhaps 350,000 to 400,000 units in the U.S. where the word processor population is expected to double by 1981.

If the market in Europe is to follow the American pattern,

two conditions will have to be fulfilled. First, managers will have to be convinced of the cost benefits and the increases in efficiency possible in their particular offices. But equally, secretaries themselves will have to have a positive attitude towards the new machines. This will be particularly important in Europe where unions, and particularly public sector unions are more powerful than in the U.S.

On the question of efficiency a large number of separate theoretical and practical studies have been undertaken, but it is difficult to generalise the results, because the gains in different applications vary so widely.

For applications like mail order, where large numbers of repetitive standard letters are produced, improvements in efficiency of perhaps four or five soon be accepted in a similar way as an essential part of modern offices.

Tomorrow's equipment

By Max Wilkinson

tape. The main advantage of such machines is that a first draft of a document can be captured and stored on tape and corrected so that there is no need to type out the complete document a second or third time for a fair copy.

The improvement of automatic typewriters converged

in a very different field, the manipulation of figures in computers.

It was quickly realised that the techniques used for data processing could be applied to automatic typing to produce "word processing."

The full application of computer techniques to the secretarial task became possible on another machine. This "optical character recognition" (OCR) allows a word processor

lowered so far that they can be sold to the domestic consumer.

In the next few years, however, much of the manufacturers' efforts will be spent on persuading businesses and government departments of the substantial economies which can be achieved through the use of word processing.

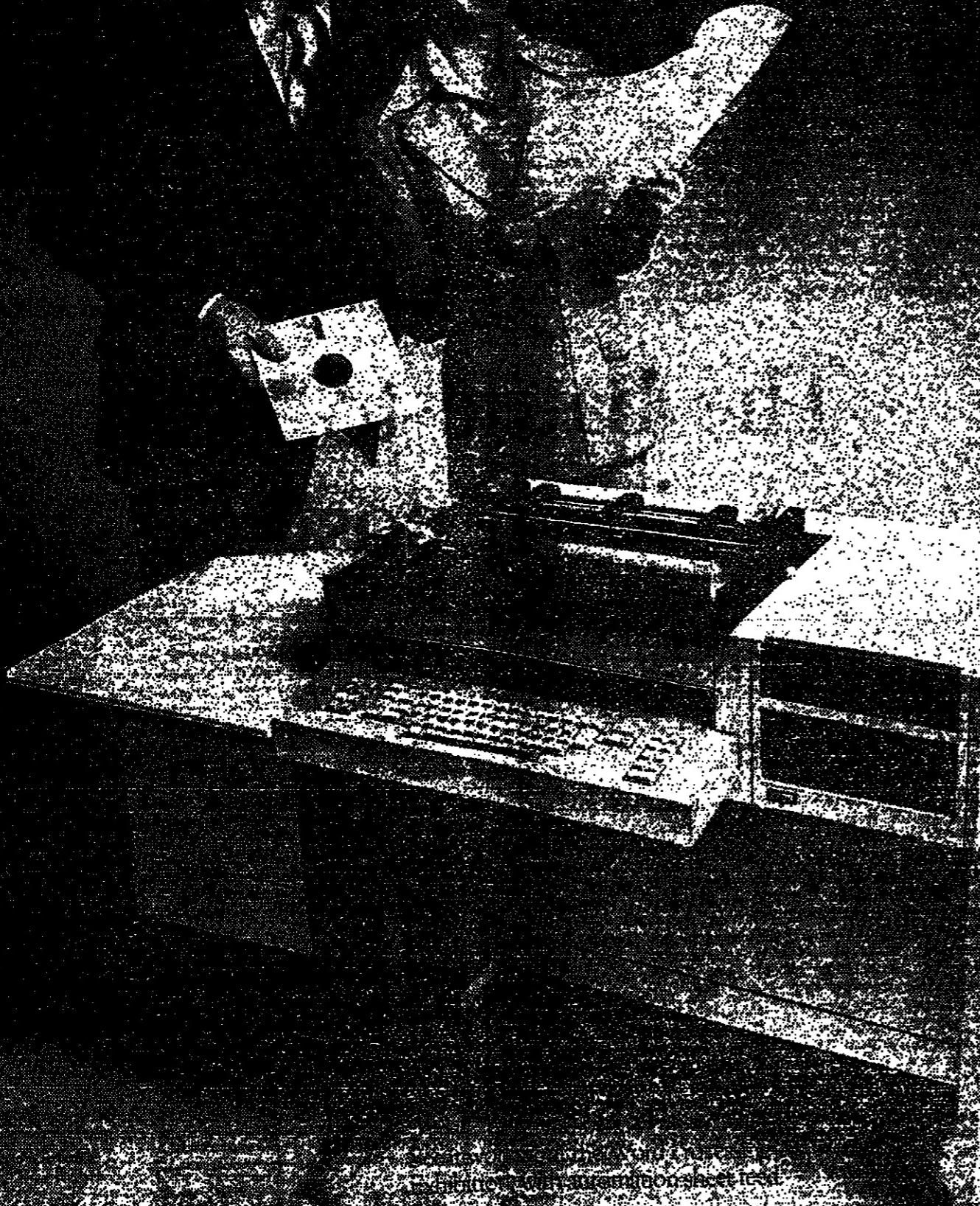
Mackintosh Consultants estimate that in Europe as a whole the total market for automatic typewriters will increase from \$18m in 1976 to about \$31m by 1981. However, by the mid-1980s most people in the market believe the market for word processing

The first step will be to replace

most of the moving parts of

deed. Comparison with the plain paper copier market, there seems little reason why word processors should not be accepted in a similar way as an essential part of modern offices.

OLIVETTI'S WORK PROCESSOR: THE ADMIN SHRINKER



Line by Line Display

Once you can use TES 50 as a sophisticated text editing system.

It's the only system of its kind with the unique Olivetti red letter display for word editing and amendment.

As well as displaying a line by line record of words entered, the display also guides the operator.

Floppy Disk

Then, when all your entries are completed, TES 50 gets to work as a high speed automatic typewriter.

The quiet, compact printer types 350 or 500 clear copy words per minute, with the quick change daisy wheel giving a wide choice of type styles, pitches and spacing.

Unlike some systems, Olivetti's TES 50 can print space sheets or continuous copy automatically and without supervision.

Info Feed

Change the floppy disk and you run TES 50 into a powerful information store and retrieval system.

It's ideal for managing your data processing related totally integrated or updated TES 50 will quickly find what you want.

TES 50 is a sophisticated system, built to handle and integrate Olivetti's own unique range of word processing systems.

It's the word processor that you'll want working for you.

Olivetti TES 50: The Work Processor

For further information, Olivetti Ltd, 100 Newgate Street, London EC1A 7AA.

Please send me the special issue of Olivetti's "Olivetti News" giving details of the latest developments in word processing.

Please send me the TES 50 brochure giving details of the system's features and how it can benefit my business.

Please send me the TES 50 literature giving details of the system's features and how it can benefit my business.

Please send me the TES 50 literature giving details of the system's features and how it can benefit my business.

Please send me the TES 50 literature giving details of the system's features and how it can benefit my business.

Please send me the TES 50 literature giving details of the system's features and how it can benefit my business.

Please send me the TES 50 literature giving details of the system's features and how it can benefit my business.

Please send me the TES 50 literature giving details of the system's features and how it can benefit my business.

Please send me the TES 50 literature giving details of the system's features and how it can benefit my business.

Please send me the TES 50 literature giving details of the system's features and how it can benefit my business.

Please send me the TES 50 literature giving details of the system's features and how it can benefit my business.

WANG

We make teach yourself Word Processing Systems

Document UD732 Now on Page 1 Line 1 Position 1

REPLACE WHAT? Typeeditor
REPLACE BY? Word Processor

Document UD732 Now on Page 1 Line 1 Position 1

SEARCH FOR WHAT?

Document UD732 Now on Page 1 Line 1 Position 1

DELETE WHAT?

Document UD732 Now on Page 1 Line 1 Position 1

INSERT WHAT?

If you have to produce reports, specifications, manuals, contracts or mailing lists, it's word processing a great help. If you choose the right system.

The problem many people find with Word Processing systems is that the operator rejects the system. Especially if they're used to automatic typewriters. Wang have put that right.

Unique "Talk-Back" screen guides operator.

We've made our machines self-instructing. With a screen that talks back to the operator. Asks questions and gives instructions that help the operator.

As you can see from the pictures, if you want to replace a word or phrase, delete something, re-spell something or search something out, the Wang Word Processor makes sure it's clear what it has to do.

Which takes a load off the operator's shoulders and makes the job simpler and easier to do.

No other system offers all our fail-safe facilities.

Large legible display screen.

Nor should you overlook the full 24-line display. Even in documents running to 4,000 pages, every word can be found.

Expands as your business expands.

A Wang installation could meet all your present needs.

With the added benefit that you could expand the installation to keep pace with your own growth. And bear in mind that four Wang stations could do the work of 10 automatic 40 ordinary typewriters.

But don't just take our word for it. Compare us with the rest. Just contact us.

Wang Electronics Limited
Office Systems Division, Chichester House
278 High Holborn, London WC1V 3EE
Telephone 01-405 0828, 01-491 4341
Telex 923498



WANG

The last word in word processing
Branches in London, Northwood,
Uxbridge, Harrogate, Purley, Manchester.

PHILIPS

Philips present the fast, efficient way to get your words onto paper.



A Philips word processing system is designed for speed and efficiency.

Designed to cut out all the time wasting activities that go with traditional office methods.

This doesn't mean that a Philips system is complicated.

First, all you have to do is pick your mind.

Philips will record you on any one of two dictators or desk-top dictation machines, a portable dictation machine, or a Philips remote controlled dictation system.

Your words are then accurately stored on a Philips Mini-cassette.

Now hand the Mini-cassette to an audio-typist.

Using a Philips transcription machine, she can then start writing on TV.

While she's transcribing your words, they appear on

the Video Display Unit of the Philips WP5001 Word Processor.

By watching the screen, the typist can be correcting, editing, revising and laying out, just by pressing a few simple commands to paper.

Your typist doesn't need a degree in electronics to do this.

The Philips WP5001 is simple to use and requires only a short training time.

In fact, any competent typist will feel immediately at home.

Philips have a business system to suit every size and type of office.

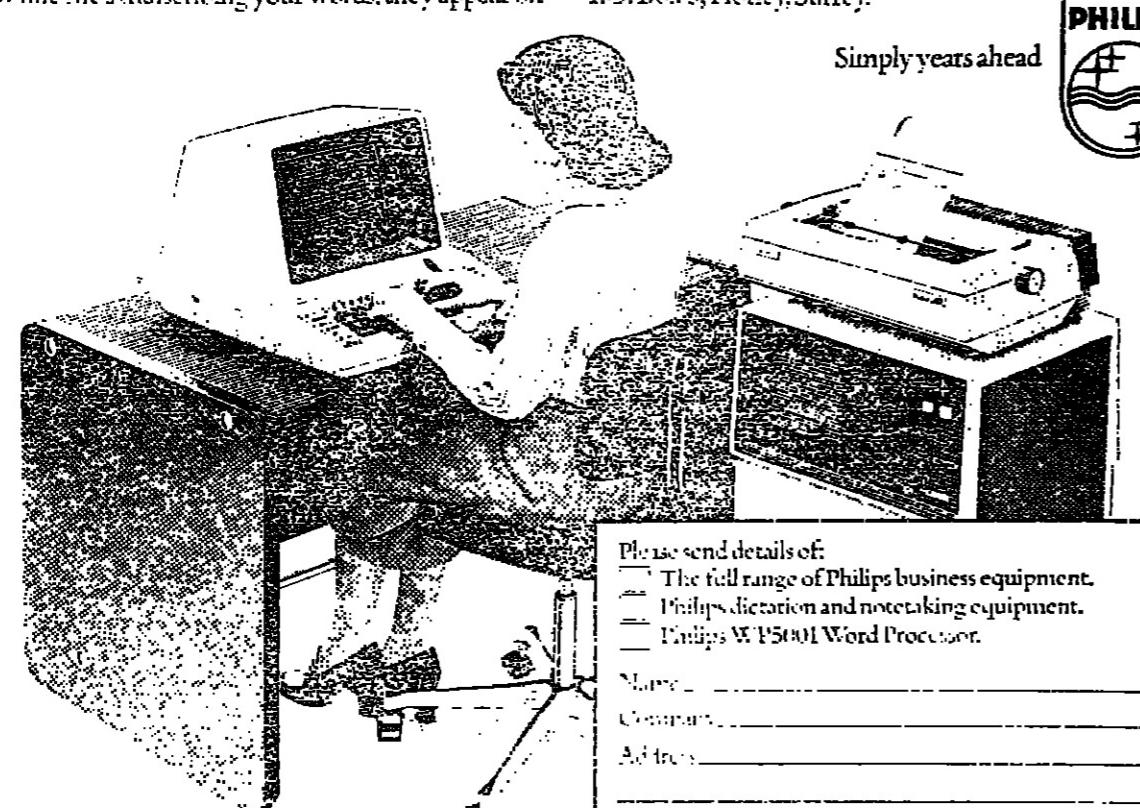
And they have the experts to help you choose the right one.

The one that'll help you move your words faster and more efficiently.

For more details on your system, fill in and send the coupon to: Philips Electrical Limited, Department SP, P.O. Box 5, Horley, Surrey.



Simply years ahead



Please send details of:
— The full range of Philips business equipment.
— Philips dictation and notetaking equipment.
— Philips WP5001 Word Processor.

Name _____
Company _____
Address _____

FTW2

WORD PROCESSING II

Systems and their basic elements

AFTER A period in which the linked to allow standard pre-paragraph, like amount of initial keying-in of material. However, if a large amount of pre-recorded paragraphs is being used, or if the typist is making many drafts of lengthy documents, a higher print speed is obviously an advantage.

The recently developed "daisy wheel" printer matches this need with a print speed of about 55 characters per second.

It uses a flexible print head which looks like a spoked wheel the size of a jam jar lid without a rim. Each spoke

carries an embossed character or characters. The wheel revolves to place the keyed character uppermost so that it can be hammered onto the paper.

One disadvantage of the daisy wheel printer is that the print heads have only a limited life and are relatively expensive to replace.

More recently, IBM has announced an ink jet printer which has very few moving parts because a thin jet of ink

is directed onto the paper by electro-magnetic forces to form the characters at over 90 per second.

As yet, this system is not reported to give as good a quality as the best impact printers, and it is incapable of producing carbon copies. However, the lack of copies may not be a great disadvantage in offices with word processors and copiers. Before long it is expected that the ink jet printer will be developed to give as good a quality as its rivals.

Storage

Diskette units or "floppy discs" seem likely to replace cassettes partly because of their superior storage capacity—now more than 100 pages—but mainly because of the fact that the recording and playback head

can search and find any portion of the text in a small fraction of a second. This capability of retrieving any portion of text almost instantaneously allows a word-processing system to have computer-like capabilities for a very low cost. Twin units are normally supplied, so that one disc can be used for a file while the second disc is used to record the document currently being prepared.

Until recently, disc drives were considerably more expensive than tape decks, but the difference in manufacturing costs has been rapidly narrowing and, for bulk purchases at least, it is soon likely to disappear.

Disc units are therefore being provided with most of the better machines, and it is likely that they will become accepted as standard before long. The superior capabilities of discs need to be matched by a processing power which can organise the material on the magnetic file, retrieve exactly the right sections needed for printing; and edit or re-organise

a document if an insertion or deletion is made after the first draft. In some applications a mini-computer is used for this purpose, but increasingly the most widely used in some applications even has advantages over more sophisticated rivals.

The next stage was to increase the memory capacity by attaching cassette tape recorders to a large number of stand-alone typewriters or printers. The great advantage was that the cassette recorder mechanism has been highly developed by a clerk who simply

for audio and hi-fi equipment writes down a series of figures and cassette tapes are widely each of which refers to a standard available at low prices. Cassette pre-recorded paragraphs in recorders allow the typists to the disc file. After each figure store quite lengthy documents the clerk writes any particular on a single tape, and in some information which should be at speed.

Disc units are therefore being provided with most of the better machines, and it is likely that they will become accepted as standard before long. The superior capabilities of discs need to be matched by a processing power which can organise the material on the magnetic file, retrieve exactly the right sections needed for printing; and edit or re-organise a document if an insertion or deletion is made after the first draft. In some applications a mini-computer is used for this purpose, but increasingly the most widely used in some applications even has advantages over more sophisticated rivals.

The next stage was to increase the memory capacity by attaching cassette tape recorders to a large number of stand-alone typewriters or printers. The great advantage was that the cassette recorder mechanism has been highly developed by a clerk who simply

for audio and hi-fi equipment writes down a series of figures and cassette tapes are widely each of which refers to a standard available at low prices. Cassette pre-recorded paragraphs in recorders allow the typists to the disc file. After each figure store quite lengthy documents the clerk writes any particular on a single tape, and in some information which should be at speed.

Disc units are therefore being provided with most of the better machines, and it is likely that they will become accepted as standard before long. The superior capabilities of discs need to be matched by a processing power which can organise the material on the magnetic file, retrieve exactly the right sections needed for printing; and edit or re-organise a document if an insertion or deletion is made after the first draft. In some applications a mini-computer is used for this purpose, but increasingly the most widely used in some applications even has advantages over more sophisticated rivals.

The next stage was to increase the memory capacity by attaching cassette tape recorders to a large number of stand-alone typewriters or printers. The great advantage was that the cassette recorder mechanism has been highly developed by a clerk who simply

for audio and hi-fi equipment writes down a series of figures and cassette tapes are widely each of which refers to a standard available at low prices. Cassette pre-recorded paragraphs in recorders allow the typists to the disc file. After each figure store quite lengthy documents the clerk writes any particular on a single tape, and in some information which should be at speed.

Disc units are therefore being provided with most of the better machines, and it is likely that they will become accepted as standard before long. The superior capabilities of discs need to be matched by a processing power which can organise the material on the magnetic file, retrieve exactly the right sections needed for printing; and edit or re-organise a document if an insertion or deletion is made after the first draft. In some applications a mini-computer is used for this purpose, but increasingly the most widely used in some applications even has advantages over more sophisticated rivals.

The next stage was to increase the memory capacity by attaching cassette tape recorders to a large number of stand-alone typewriters or printers. The great advantage was that the cassette recorder mechanism has been highly developed by a clerk who simply

for audio and hi-fi equipment writes down a series of figures and cassette tapes are widely each of which refers to a standard available at low prices. Cassette pre-recorded paragraphs in recorders allow the typists to the disc file. After each figure store quite lengthy documents the clerk writes any particular on a single tape, and in some information which should be at speed.

Disc units are therefore being provided with most of the better machines, and it is likely that they will become accepted as standard before long. The superior capabilities of discs need to be matched by a processing power which can organise the material on the magnetic file, retrieve exactly the right sections needed for printing; and edit or re-organise a document if an insertion or deletion is made after the first draft. In some applications a mini-computer is used for this purpose, but increasingly the most widely used in some applications even has advantages over more sophisticated rivals.

The next stage was to increase the memory capacity by attaching cassette tape recorders to a large number of stand-alone typewriters or printers. The great advantage was that the cassette recorder mechanism has been highly developed by a clerk who simply

for audio and hi-fi equipment writes down a series of figures and cassette tapes are widely each of which refers to a standard available at low prices. Cassette pre-recorded paragraphs in recorders allow the typists to the disc file. After each figure store quite lengthy documents the clerk writes any particular on a single tape, and in some information which should be at speed.

Disc units are therefore being provided with most of the better machines, and it is likely that they will become accepted as standard before long. The superior capabilities of discs need to be matched by a processing power which can organise the material on the magnetic file, retrieve exactly the right sections needed for printing; and edit or re-organise a document if an insertion or deletion is made after the first draft. In some applications a mini-computer is used for this purpose, but increasingly the most widely used in some applications even has advantages over more sophisticated rivals.

The next stage was to increase the memory capacity by attaching cassette tape recorders to a large number of stand-alone typewriters or printers. The great advantage was that the cassette recorder mechanism has been highly developed by a clerk who simply

for audio and hi-fi equipment writes down a series of figures and cassette tapes are widely each of which refers to a standard available at low prices. Cassette pre-recorded paragraphs in recorders allow the typists to the disc file. After each figure store quite lengthy documents the clerk writes any particular on a single tape, and in some information which should be at speed.

Disc units are therefore being provided with most of the better machines, and it is likely that they will become accepted as standard before long. The superior capabilities of discs need to be matched by a processing power which can organise the material on the magnetic file, retrieve exactly the right sections needed for printing; and edit or re-organise a document if an insertion or deletion is made after the first draft. In some applications a mini-computer is used for this purpose, but increasingly the most widely used in some applications even has advantages over more sophisticated rivals.

The next stage was to increase the memory capacity by attaching cassette tape recorders to a large number of stand-alone typewriters or printers. The great advantage was that the cassette recorder mechanism has been highly developed by a clerk who simply

for audio and hi-fi equipment writes down a series of figures and cassette tapes are widely each of which refers to a standard available at low prices. Cassette pre-recorded paragraphs in recorders allow the typists to the disc file. After each figure store quite lengthy documents the clerk writes any particular on a single tape, and in some information which should be at speed.

Disc units are therefore being provided with most of the better machines, and it is likely that they will become accepted as standard before long. The superior capabilities of discs need to be matched by a processing power which can organise the material on the magnetic file, retrieve exactly the right sections needed for printing; and edit or re-organise a document if an insertion or deletion is made after the first draft. In some applications a mini-computer is used for this purpose, but increasingly the most widely used in some applications even has advantages over more sophisticated rivals.

The next stage was to increase the memory capacity by attaching cassette tape recorders to a large number of stand-alone typewriters or printers. The great advantage was that the cassette recorder mechanism has been highly developed by a clerk who simply

for audio and hi-fi equipment writes down a series of figures and cassette tapes are widely each of which refers to a standard available at low prices. Cassette pre-recorded paragraphs in recorders allow the typists to the disc file. After each figure store quite lengthy documents the clerk writes any particular on a single tape, and in some information which should be at speed.

Disc units are therefore being provided with most of the better machines, and it is likely that they will become accepted as standard before long. The superior capabilities of discs need to be matched by a processing power which can organise the material on the magnetic file, retrieve exactly the right sections needed for printing; and edit or re-organise a document if an insertion or deletion is made after the first draft. In some applications a mini-computer is used for this purpose, but increasingly the most widely used in some applications even has advantages over more sophisticated rivals.

The next stage was to increase the memory capacity by attaching cassette tape recorders to a large number of stand-alone typewriters or printers. The great advantage was that the cassette recorder mechanism has been highly developed by a clerk who simply

for audio and hi-fi equipment writes down a series of figures and cassette tapes are widely each of which refers to a standard available at low prices. Cassette pre-recorded paragraphs in recorders allow the typists to the disc file. After each figure store quite lengthy documents the clerk writes any particular on a single tape, and in some information which should be at speed.

Disc units are therefore being provided with most of the better machines, and it is likely that they will become accepted as standard before long. The superior capabilities of discs need to be matched by a processing power which can organise the material on the magnetic file, retrieve exactly the right sections needed for printing; and edit or re-organise a document if an insertion or deletion is made after the first draft. In some applications a mini-computer is used for this purpose, but increasingly the most widely used in some applications even has advantages over more sophisticated rivals.

The next stage was to increase the memory capacity by attaching cassette tape recorders to a large number of stand-alone typewriters or printers. The great advantage was that the cassette recorder mechanism has been highly developed by a clerk who simply

for audio and hi-fi equipment writes down a series of figures and cassette tapes are widely each of which refers to a standard available at low prices. Cassette pre-recorded paragraphs in recorders allow the typists to the disc file. After each figure store quite lengthy documents the clerk writes any particular on a single tape, and in some information which should be at speed.

Disc units are therefore being provided with most of the better machines, and it is likely that they will become accepted as standard before long. The superior capabilities of discs need to be matched by a processing power which can organise the material on the magnetic file, retrieve exactly the right sections needed for printing; and edit or re-organise a document if an insertion or deletion is made after the first draft. In some applications a mini-computer is used for this purpose, but increasingly the most widely used in some applications even has advantages over more sophisticated rivals.

The next stage was to increase the memory capacity by attaching cassette tape recorders to a large number of stand-alone typewriters or printers. The great advantage was that the cassette recorder mechanism has been highly developed by a clerk who simply

for audio and hi-fi equipment writes down a series of figures and cassette tapes are widely each of which refers to a standard available at low prices. Cassette pre-recorded paragraphs in recorders allow the typists to the disc file. After each figure store quite lengthy documents the clerk writes any particular on a single tape, and in some information which should be at speed.

Disc units are therefore being provided with most of the better machines, and it is likely that they will become accepted as standard before long. The superior capabilities of discs need to be matched by a processing power which can organise the material on the magnetic file, retrieve exactly the right sections needed for printing; and edit or re-organise a document if an insertion or deletion is made after the first draft. In some applications a mini-computer is used for this purpose, but increasingly the most widely used in some applications even has advantages over more sophisticated rivals.

The next stage was to increase the memory capacity by attaching cassette tape recorders to a large number of stand-alone typewriters or printers. The great advantage was that the cassette recorder mechanism has been highly developed by a clerk who simply

for audio and hi-fi equipment writes down a series of figures and cassette tapes are widely each of which refers to a standard available at low prices. Cassette pre-recorded paragraphs in recorders allow the typists to the disc file. After each figure store quite lengthy documents the clerk writes any particular on a single tape, and in some information which should be at speed.

Disc units are therefore being provided with most of the better machines, and it is

WORD PROCESSING III

A secretarial revolution

THE OFFICE workers whose lives are most intimately affected by the introduction of word processors are invariably secretaries and typists.

Managers and professional people may well find that word processing machines enable them to improve their own efficiency and output but beyond this there is no basic change in the content of their jobs or in their career patterns. Secretaries, on the other hand, are likely to find that their working lives are revolutionised by their company's decision to buy automatic typewriters. And as with all revolution not everyone will see the new order as a change for the better.

For a start, some secretaries and typists may find that their jobs have virtually disappeared with the introduction of word processors. Automatic typewriters can perform so many of the routine tasks formerly done by a typist or secretary that individuals may be left sitting idle for hours on end. This is especially true of those organisations which have always been generous with secretarial staffing complements.

Boredom leads to boredom and this in turn is likely to produce a sharp drop in morale—in the past few years survey after survey has shown that one of the main complaints of secretarial staff is that they do not have enough to do. If this dissatisfaction is sufficiently strong it can easily permeate through to other office staff. What is more, even fairly low powered secretaries may find that what little chance they had to use their initiative has been taken away by the word processors. Where a secretary might once have been left to compose the wording of many routine letters—excusing the boss from accepting an invitation, asking for more information, explaining away some minor mishap, describing a company system to a customer—all he or she now has to do is press a button and perhaps insert a few individual details such as dates and amounts of money.

A company facing the problem of disgruntled employees always has the alternative of cutting down secretarial staffing levels. But this has its drawbacks. The best way to do it is to cut clearly through natural wastage which can take time—unless an organisation is extremely lucky and in the meantime the salary bill remains steady and the degree of discontent rises. Redundancy is the other option but this too can prove expensive in terms of both money and good will. There are few human beings who do not feel deeply resentful at finding that they can be replaced by machines.

Investment in word processors is likely to cause considerable upheaval even in those companies where there is no question of overmanning in the secretarial sector. Here again, one fate the letters and reports are of the chief problems is likely to bound to become fewer and be bored despite the fact that fewer so that correspondence there is plenty for the typists secretaries can start to feel they



The 3M Series 4,000 word processing system.

to do.

It is estimated that personal secretaries, using conventional equipment, spend only about 25 per cent of their time typing. The rest of the working day is spent on administrative duties—filing, copying, diary maintenance, telephone calls and travel arrangements. There is therefore a strong argument for dividing all secretarial staff into two groups—those who act as administrators and those who are purely responsible for typing. Once this has been done it usually makes sense to have an administrative secretary working for several people rather than for just one boss.

Incentive

This system can be—and is operated by companies that do not have word processors. But the introduction of automatic typewriters provides a strong incentive for reorganising in just this fashion. For, having spent a considerable sum of money on purchasing word processors, companies will want to ensure that their use is maximised.

The danger is that those who are becoming correspondence secretaries—even if they have only been members of a typing pool before—are likely to find that what was once comparatively varied work is now little more than concentrated drudgery. The increased use of telephone links for dictating purposes and the reliance on coded replies for many routine matters may also make typists feel cut off from the mainstream of company life. Opportunities for personal contact with the people with whom they are working for are fewer; partly as a result of this they may also have less personal contact with the men and women they are working for than formerly.

more opportunities than

are operating in something of a vacuum.

On the other hand, this type of mechanised typing pool system can offer increased job satisfaction in other ways. As

it is spent on administrative duties—filing, copying, diary maintenance, telephone calls and travel arrangements. There is therefore a strong argument for dividing all secretarial staff into two groups—those who act as

administrators and those who are purely responsible for

typing. Once this has been done it usually makes sense to have an administrative secretary working for several people rather than for just one boss.

In addition to this it has been found that most typists enjoy learning to master the new technology and in the main they do not find it too difficult. Most also take pleasure in the increased volume of work and the greater accuracy that word processors enable them to achieve. Careful staff selection designed to act as personal for it if the girls are efficient assistants and so extend their skills and their career prospects. In addition, some may feel they have a secretarial job at all. This is one reason why so many conventional secretaries complain—and so, too, may their bosses.

Research has shown that far too many bosses—usually male—primarily want secretaries of some small-time executive

nearly always female—in order not exactly a challenging or

so evidently lacks at present.

But now a growing number of women, particularly those with real ability, are recognising the fruitlessness of becoming an "office wife." This is reflected in the current shortage of secretaries—particularly in London. Those who do take secretarial training are increasingly demanding a real career path and the opportunity to be promoted to an executive position.

Companies will either have to give administrative secretaries a genuine chance to climb the career ladder or else employ older women who are not looking for advancement or for any great responsibility. Such women are likely to become more and more difficult to find and in the long term the first option will become the only realistic one for many organisations.

The advent of word processors certainly provides the initial opportunity for giving secretaries greater responsibility and so enlarging their role. The most able ones can be largely freed from the routine jobs of typing and filing—either as a result of an organisational division of labour or because each girl has her own word processor. And as prices fall, which they are bound to do in the next few years, the latter will become more of an economic possibility than it is at present.

Secretaries will then be at liberty to undertake more rewarding tasks and some at least will be able to climb up the kind of experience that will fit them for promotion to management posts. The net result could one day be to give back to secretarial work the appeal that it so evidently lacks at present.

Sue Cameron

How many directories do you use?

Probably not enough;

but have you ever tried producing one?

Those who have will tell you of the headaches involved—constant proofing and checking, misaligned corrections, bad paste-up, last minute alterations—all to be repeated at the next publication date.

However good news, the revolution in typesetting sequential data has arrived. The Information Services division of Brown Knight & Truscott has installed what we believe is the most comprehensive and sophisticated computer aided photocomposition system operated by any commercial printer in the U.K.

Our customers in the directory publishing business welcome the revolution and the security of the system is enormously beneficial for our customers with sensitive financial work. Even if you do not fit into any of these categories you may still have experienced the problems of updating information prior to printing and if this is the case you should contact Simon Tennent



Information Services division
Brown Knight & Truscott Ltd

Dowgate Works, Douglas Road,
Tonbridge, Kent TN9 2TS
Tel: Tonbridge (0732) 351216 Telex: 95573

OUS

SECRETARIES
have been left to compose the wording of many routine letters—excusing the boss from accepting an invitation, asking for more information, explaining away some minor mishap, describing a company system to a customer—all he or she now has to do is press a button and perhaps insert a few individual details such as dates and amounts of money.

A company facing the problem of disgruntled employees always has the alternative of cutting down secretarial staffing levels. But this has its drawbacks.

The best way to do it is to cut clearly through natural wastage which can take time—unless an organisation is extremely lucky and in the meantime the salary bill remains steady and the degree of discontent rises. Redundancy is the other option but this too can prove expensive in terms of both money and good will. There are few human beings who do not feel deeply resentful at finding that they can be replaced by machines.

Investment in word processors is likely to cause considerable upheaval even in those companies where there is no question of overmanning in the secretarial sector. Here again, one fate the letters and reports are of the chief problems is likely to bound to become fewer and be bored despite the fact that fewer so that correspondence there is plenty for the typists secretaries can start to feel they

Costs

CONTINUED FROM PREVIOUS PAGE

their sophistication and range is showing more interest and only become a problem when facilities will increase. Thus it is the larger companies—there is extensive communication between them and wider secretaries according to Olivetti—which may present a considerable another.

The manufacturers tend to agree that the market has, over the past 12-18 months, begun to take off. Most were disappointed by initial response when they began to offer their machines in 1974-75; they blame the relative lack of interest on the recession and on the generally conservative nature of British office management. Now, however, management seems to have got the message.

The major manufacturers competing for their business are (in a generally accepted order of importance) IBM, Rank Xerox and Olivetti, with Kalle Infotech coming in strongly at the lower end of the market. IBM probably dominates, though Rank claims to be near equals.

Success

Rank says that the market—like Ancient Gaul—can be divided into three parts: the professional, the service industries, and manufacturing industries. Initially, Rank has found greatest success in the first, principally because, it says, the head of a professional company—for example, a law firm—is intimately involved in the office work, and can readily grasp the savings a word processor can bring. Again, professional companies often require a great many formal letters, the area in which the word processor comes into its own.

However, service and manufacturing industries are begin-



It's easy when you know how, and our know-how with the new Xerox 850 visual display systems could add to and improve your existing word processing capability.

Alternatively, if you are first time in the market let us demonstrate how Rank Xerox would improve the productivity and cost efficiency of your Company's typing and secretarial services.

Five good reasons for choosing the Xerox 850:

1. With 10 configuration options, we market the largest UK range of visual display typing systems (add the Xerox 800 range and you have a choice of 16 options).

2. Our equipment is compatible with some competitive models, therefore, you can add to your existing capability.

3. We will reduce the risk of obsolescence through a firm commitment to research and development.

4. We offer you the widest choice of pricing options or outright purchase, whichever is your preference.

5. There is a nationwide service and support system which is second to none.

RANK XEROX

Much more than a copier company.

The Xerox 850 visual display typing systems stem from 2 basic units. A 24 character thin window display and, for extensive revision purposes, a 70 line page display. Virtually instantaneous access to 280 average pages of text is possible as both systems use magnetic discs for data storage.

Xerox know-how and commitment to your future ensure that for you word processing will become child's play.

If you would like to further consider the Xerox 850 visit our stand at the International Word Processing Exhibition, Wembley Conference Centre, 6th/8th June, or call Freephone 2279. Alternatively post the coupon

Name _____	
Position _____	
Company _____	
Address _____	
E.T.S.	
Post completed coupon to: Rank Xerox (U.K.) Ltd. P.O. Box 3, Horley, Surrey.	

© Xerox and Rank Xerox are registered trade marks of Rank Xerox Ltd.

ANSWER
55 ANY

John Lloyd

INFOTECH TRAINING WORD PROCESSING SYSTEMS

14-16 November 1978

This course examines:

- Current developments in word processing applications
- Currently available hardware
- Future hardware developments

Call Lisa Bentall on 0628 35031
for further information.

Infotech International Nicholson House
Maidenhead Berkshire England SL6 1LD
Telex 347319

Dictaphone. The voice of word processing.

No one has yet improved on the human voice as a means of communication. For years Dictaphone has led the way in developing systems for gathering and storing the human voice in the most efficient way possible.

In a sense, it's what we've been doing since we invented the wax cylinder dictating machine over 50 years ago.

That's why today we're the voice of word processing.

Dictaphone's electronic recording techniques are so advanced we now bring you the world's smallest full-featured standard cassette portable - the Travel Master.

We've developed the world's most advanced desktop dictating system, too - the Thought Master, with a combination of features no other desktop unit can offer.

In central systems, Dictaphone has the new Thought Centre System 590, the most versatile multi-cassette recorder ever made.

And for automated dictation, Dictaphone offers Thought Tank systems - from System 100 centralised Word Processing Centres to our most recent introduction, the Thought Tank System 102 for small work groups.

CONSIDERING THAT word of the development work on processors are a relatively components themselves, and sophisticated product in a small market dominated by International Business Machines with its \$1.8bn turnover, it is remarkable that so many small companies are in the field.

More than 30 companies are currently offering their systems on the market, and they range from the very large multinationals like IBM and Philips to very small assemblers of systems. The entry of so many smaller companies is no doubt a consequence of the fact that word processors are an immature product which have grown out of fast-changing computer and component technologies.

The development of mini-computers and their associated systems companies has shown that small organisations often have the flexibility to introduce new ideas faster than their more powerful rivals. The small company can buy in the decision of several multi-nationals to move into word processing to challenge IBM.

The most notable of these challengers are Phillips and Xerox (Rank Xerox in the UK). Larger companies tend to be with Olivetti and Adler making inherently slower, partly because of the complexities of their own structure, partly writer and small office computer because they like to do much suppliers.

Pressure on the smaller companies will also be increased by the decision of several multi-nationals to move into word processing to challenge IBM.

The most notable of these challengers are Phillips and Xerox (Rank Xerox in the UK).

Larger companies tend to be with Olivetti and Adler making inherently slower, partly because of the complexities of their own structure, partly writer and small office computer because they like to do much suppliers.

Since many of the products are not all that different, the larger companies will base their marketing strategies on reassuring customers about three main points.

The first is upward compatibility, by which they mean that each product is part of a family which has as many common features as possible. Thus customers will be told that even if technology changes, files stored on one magnetic medium will be able to be transferred to a new system or used on a later generation of machines.

The second emphasis will be on service support, particularly by companies which already have an established network for servicing office products. Rank Xerox, for example, with its dominance of the office copier market hopes to capitalise on its reputation for service.

The third main selling point for the larger companies will be the argument of security. As one multinational put it: "If somebody buys us from us we will be pretty sure that we will be around in ten years' time. You can't say that of some of our competitors."

Even up to 1979, Mackintosh Consultants is predicting an annual growth in the UK of 22 per cent in the installed base

see a shake-out have been made in value terms. In Europe as repeatedly for several years, a whole, brokers Scott Goff and Hancock & Co, suggest annual revenues from word processing could reach £250m by 1980, of which they believe Rank Xerox should be able to secure a share of about 20 per cent.

This fact probably accounts for the continued presence of so many companies in the field. However, as component costs continue to fall and a mass market begins to develop, a general sharpening of competition can be expected. The Butler Cox Foundation predicts a reduction of 50 per cent to 60 per cent of the real costs of word processors in the next five years, though it says: "In practice such a large drop will probably not be apparent because the capacity of the device will be simultaneously enhanced."

One of the difficulties facing a potential buyer is that although the companies selling word processors are very diverse, the products often bear a marked similarity to each other.

Until recently, for example, the majority of systems were based on an IBM electric typewriter. Though now there is a general move towards daisy-wheel printers for the more up-market systems, these are mostly obtained either from Quate or Diabolo. Furthermore, an increasing emphasis on upward compatibility with computer systems has led manufacturers to design systems which can hook up with an IBM processor.

The market is likely to stabilise within about five years, with a drop in the number of suppliers. Users will be particularly concerned to acquire equipment from viable suppliers and they will be determined to ensure that it is cost effective. Their caution will act as a brake on market expansion, though the main determinant will be the availability of funds for investment. This will favour rented or leased equipment.

M.W.

The pace of dictation

MOST EXECUTIVES would undoubtedly agree that a good secretary is worth her weight in gold. Whatever the state of the techniques.

Yet given such benefits, the economy Britain's 3m secretaries and typists remain very dictation equipment market has much in demand, according to been one of the last to come successive office surveys. Yet out of the slump in the overall many companies have been slow to regard secretaries as an important part of the management equipment are looking to team and make the fullest use of her capabilities. For the up for lost time.

Dictation systems fall into three categories, depending on where it is done and how much is required. These categories are: outside the office, heavy in-office dictation, and moderate to light in-house dictation.

Portable units are well-suited for dictation performed away from the office. Desk-top units can be used from locations outside the office. Executives can phone in and be connected directly to the system from the company's internal telephone system.

a dictating machine can produce letters several times as fast as by conventional dictating. There are a number of people who use the equipment infrequently and have a group of typists, usually in a word processing centre, to transcribe the tapes.

Centralised dictation systems are not recommended for high-use by one person because such volume ties up the machine for a longer length of time than a normal work processing cycle would allow and still maintain an efficient turnaround time for all of the principal users involved.

Centralised systems can also be used from locations outside the office. Executives can phone in and be connected directly to the system from the company's internal telephone system.

Most office dictation, however, is performed on stationary desk-top machines. For the manager who produces a substantial amount of correspondence, the desk-top dictation units sold nowadays offer a wide variety of input features. These allow users virtually unlimited review and instruction control over their dictation.

A further significant advantage is that the POP indexing strip, because it is integral with each cassette, can no longer be lost.

Philips new system is called the 300 Series. The 302 is a general purpose dictation/transcription machine. The 303 is a de-luxe automatic machine and the 304, a new departure for Philips, is a transcription machine especially for the secretary.

IBM's main dictation system being marketed in the UK is the 6.5 cartridge dictation system, which can be used in a number of ways in the office according to specific needs. The system can be built up from the basic of one recorder and transcriber used for one person only, to systems using a microphone net-

work.

Philips claim the system is technically far in advance of any other system on the market.

The system is based on a special material called Particle Orientated Paper (POP) which, like so many other technological

systems, is designed to be used in a variety of more crucial duties, saving her time and your money. How can this be possible? With the new AES Plus. The AES Plus is the vanguard of a revolutionary development in business communications.

The AES Plus retires the concept of re-typing while offering speed and flexibility.

The AES Plus may be revolutionary yet in practice it boasts these simple procedures. Just

Your secretary can type 540 words per minute, while she's opening your mail.

And that means she can attend to a variety of more crucial duties, saving her time and your money. How can this be possible? With the new AES Plus. The AES Plus is the vanguard of a revolutionary development in business communications.

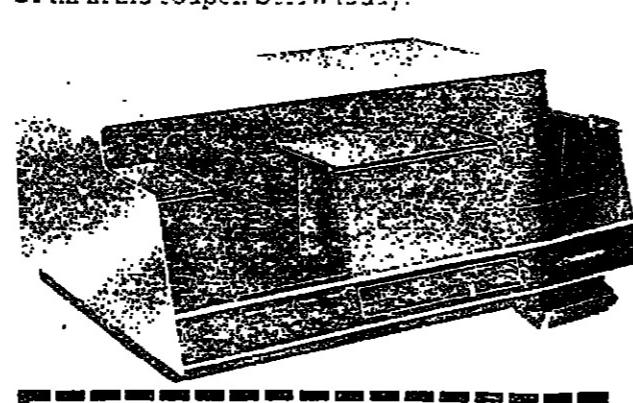
The AES Plus retires the concept of re-typing while offering speed and flexibility.

The AES Plus may be revolutionary yet in practice it boasts these simple procedures. Just

I would like to know more about the many things the AES electronic typing system can do to save us time and money.

Name _____
Job Title _____
Company _____
Address _____
Telephone _____
City _____
Postal Code _____

Automatic Electronic System (London) Ltd.
31 Mansell Street,
London E1.
Telephone 01-481 2328



Please send me details on the Dictaphone Word Processing Systems. Dictaphone, 10, London Wall, EC2R 5AU, Tel: 01-481 2328. Ref: 78

Name _____
Position _____
Company _____
Address _____

Dictaphone
We've got people talking

I would like to know more about the many things the AES electronic typing system can do to save us time and money.

Name _____
Job Title _____
Company _____
Address _____
Telephone _____
City _____
Postal Code _____

Automatic Electronic System (London) Ltd.
31 Mansell Street,
London E1.
Telephone 01-481 2328

Electronic mail on the horizon

Probably about
years ago
and remain
in constant
day to day touch.

TALKED ABOUT for many achieved partly through a threshold between a possibility including Univac and Interdata and a practical solution to an industrial problem some ten years ago when a director of work by dialling a charge-free number.

Users gain access to the network of facsimile transmission, electronic mail first crossed the central processing equipment

ability for executives who are travelling to use portable terminals and remain in constant day to day touch.

All this is, however, very small here in face of the all-embracing plans of Satellite Business Systems. This organisation, which first saw the light of day as "CML Satellite Corp" in 1971, will in 1981 have the first synchronous satellite in orbit dedicated entirely to business communications—computer data, audio, video, conferencing and document transmission.

The key to the vigour with which SBS is likely to pursue its goals lies in the fact that in 1974, IBM bought out two of the three original shareholders (Lockheed and MCI Communications). True, the Federal Communications Commission then demanded of IBM and Comsat that they take a third partner, Aetna Life, but the major impetus is coming from the giant computer company and the text-handling procedure.

Since then, with the advent of the "clever" word processor, the speeding-up of facsimile capabilities to a few seconds for a 4-page A4 page by Muirhead, and intensive efforts by European and U.S. manufacturers, including IBM, to bring down the cost of a facsimile terminal to a few tens of dollars, true electronic mail systems have been brought very much closer.

Already, services are being offered in the U.S. which come very close to the present definition of this method of information transfer. Competing with the U.S. Post Office—which has frequently been warned by Congressional Committees to progress at go under—Western Union's Electronic Mail has been set up as a wholly owned subsidiary of Western Union Telegraph Corporation. Its objective is to provide a guaranteed 24-hour mail delivery service.

The "Mailgram" network presupposes installation of 1,200 terminals at user sites to speed preparation of messages, cutting the cost of traditional mail preparation and speeding up its transmission enormously compared with what U.S. users are accustomed to. This is going well and includes the handling by satellite.

With several lengthy battles at home. In the meantime, IBM behind it in the U.S., both with and Comsat last year carried out a significant experiment to link the regulatory body (the FCC) a two computers 4,000 miles and with opponents of any move up two computers 4,000 miles to dilute line traffic, SBS is apart, at La Gaudre in France extremely guarded in its pronouncements about possible using the Franco-German Symphonie satellite system.

But it seems very plain that the question is not "whether" 1.5m bytes of information can be moved at 13 European countries will provide part of the study basis. And more business in the EEC than was achieved.

The experiments are to developed a word processing office managers to make a choice. Butler Cox points out brought in to add complexity to panes to progress towards a that there are 30 suppliers of the transmission problems, generalised electronic mail such devices in Britain with only video the FCC gives permission system as external services 7,000 machines installed, or expand. Unilever and BP are under 2 per cent of the total typewriter population and that the same applies in Europe as a whole. However, it sees display word processors as quickly becoming generally justifiable in intensive use areas regardless of work mix, and even when the work load is not heavy, they will be used for their ability to communicate.

It is significant that part of the original testing was simulated facsimile transmission and that the IBM research and experimental communications satellite has finally been put into orbit, it may be that the European PTTs will overcome their aversion to rapid progress and begin to move towards a point where they can meet any SBS competition and provide counter-competition. After all, Canada has longer experience of satellite communication for business uses than even the U.S.

From the first European business communication satellite operating in 1985 and thereafter to a universal business communications system where key

company staff would each have a pocket pager capable of printing or displaying a message from any origin and in complete security, as envisaged by Multitone, is only a short step.

Ted Schoeters

Necessary growth of computers

Atom

This is a service backed by a large common carrier organisation.

Some big companies have started or are starting their own internal services and, interestingly,

Combustion Engineering did it without a preliminary study.

Late in 1977 it set up a pilot project under the acronym "Atom" for Automatic Transmission of Mail. Not every company could afford to go this way since the CE project is based on an IBM 168 computer costing several million dollars—but it does give CE offices with appropriate terminals the ability to create mail virtually anywhere in the world, or read,

scan and forward (with notifications) mail sent by others in the network, which gives each participant a secure electronic mailbox.

The pilot scheme is progressing well and includes the handling by satellite.

IN A RECENT interview, Dr. Carl Hammer, who is a pioneer of data processing and director of computer science at Univac, asserted that, even now, civilisation as we know it would collapse were it not for the use of computers.

But men were going to have to depend more and more on these machines to run an increasingly complex society and the machines themselves would have to be altered to suit the needs of people to which they are going to be applied.

To underline his assertions, Dr. Hammer pointed out that he saw these as areas for an especially rapid development in technology, which by the turn of the century could make existing secretarial functions redundant—in the U.S. at present around 1m bytes per capita and some 10m people are doing work of this type.

The initial target is to sell these machines to Government agencies in studies of the five services mentioned above, including electronic mail, and of a number of undisclosed applications.

The electronic mail study examined, some 50 to 80 per cent of documents generated by electronically collecting information about each individual in those countries at a rate now estimated at 40 per cent was aimed at other organisations. Of this last share, almost nine-tenths could be

captured electronically and 20 to 50 per cent could be handled by the work of this type.

The human element would be eliminated through development of high quality text-to-voice and voice recognition words its processor will have to become more powerful.

Meanwhile, he said, the computers in America's Federal equipment—already existing in

more power is also needed. In the study, intended to help

Oliveri marketing experts

The company is moving up see a considerable growth quickly to the Number 2 position for electronic typewriters and believes that, as time writers with simple magnetic

goes by, customers will place storage at the low end of the greater emphasis on the ability WP market. In this they are at the top of the unit to communicate so variance with a recent study of the unit to function as an electronic word processing arena car-

ronic mail terminal. In other words, its processor will have to Foundation, until now, restricted to membership.

More power is also needed. In the study, intended to help

Work out the cost of your secretary over the life of a typewriter—say seven years—and you're looking at a very hefty figure indeed.

Salaries alone will cost you somewhere in the region of £30,000: and that's only at today's rates.

Typing isn't cheap. And it's false economics to assume that a more expensive typewriter is more expensive.

Watch your secretary at work next time you give her a letter to type. Notice how she gets slower and slower as she nears the end. That's because she's wary of making a mistake and having to start again.

See how long she takes to correct a simple error. Watch her retrace what she's already done to underline something. And if it's an old typewriter she's using, watch her stop to rub her poor aching neck muscles after an hour or two.

When we developed our range of electric machines, we watched typists at work day upon day, month upon month, year upon year. Noticed what slowed them down, what irritated them. And then spent ages over the keyboard ourselves, eliminating the stumbling blocks.

The results of all this application can be seen in our range of electric typewriters. In our wide range of word processing equipment—including dictation machines, communicating typewriters and photocopiers, and typesetting typewriters that allow you to print like a professional without employing a specialist.

But before we proudly bring them over, we'd like to spend an hour or two with you, listening and watching. Just as we listened and watched in the past.

So we can be sure of recommending just as much typewriter as you need from our very comprehensive range.

Call us and invite us round. Or ask your secretary to fill in and clip out this coupon.

She'll probably put more enthusiasm into that small task than anything else she's done this year.

Please show me how you can help improve my office efficiency. I am interested in learning more about:

- Electric Typewriters
- Typesetting Typewriters
- Communicating Typewriters
- Memory Typewriters
- Word Processing
- Dictation Equipment
- Photocopiers
- Office Systems

Name _____
Title _____
Company _____
Address _____

OP Sales Information,
IBM United Kingdom Limited,
28 The Quadrant, Richmond, Surrey,
TW9 1DW. Tel: 01-940 9532.



Do you know what
you're spending
on your next typewriter?

CH 100

OVERSEAS MARKETS

INTERNATIONAL BONDS

Falling dollar depresses market activity

AS IF the continuing rise in interest rates was not enough, the National Westminster bond last week in raising its prime rate) the bond market had to face a fall in the value of the dollar against the stronger currencies last week.

There is now only one straight bond on offer in the market, which was increased by \$5m to \$60m private placement for the \$25m. U.S. convertibles are rare European Steel and Coal Com-

In the floating rate sector only the \$30m for Arab International Bank remains on offer. This sector of the market did not even put up its performance that the straight bond sector.

The two floaters priced last week were increased, the \$25m for Banque Worms by \$5m and the \$125m one for National Westminster by \$25m, thus making it the largest float ever launched in this market. Floating rate notes are usually placed with other banks but in the case of National Westminster good institutional demand was reported by some dealers. Both issues held up well in the secondary market. Banque Worms was trading at 98-99 on Friday afternoon and National Westminster at 98-99.

The straight sector was weak though a technical rally occurred on Thursday and went on through Friday thanks to a better

Federal de Electricidad to be held over for the second week.

Fiji Bank will offer \$20m of three-year floating rate certificates of deposit. The issue will be managed by Fiji International Finance and the interest rate will be set at one quarter point above the London interbank rate.

The Yankee bond market was having its own set of one animals, but despite this one

sector of the spectrum the conversion price of \$23 per cent over the \$19 closing share price on May 31. It held up well in the secondary market. On Friday Tyco was being traded at 98-99.

None of the straight issues were doing well in the secondary market; Canadair was quoted at 97-97. AGA at 97-98. While the performance of Dominion Bridge was particularly lacklustre: it had sunk to 96-96 by the end of the week. The weakness of the terms of the Caisse Centrale de Cooperation Economique are expected to be announced to

morning.

The dollar's weakness had the usual result of pushing up prices in the Swiss Franc and Deutsche Mark sectors of the market.

Turnover in the latter improved

last week with prices moving

up by anything from one half

to a full point. Seller condi-

tions in the domestic bond mar-

ket in Germany also helped.

Japanese convertibles did par-

ticularly well, helped by a ris-

ing Yen and even more impor-

tant, by the strong performance

of the Tokyo stock exchange.

The Sankyo convertible was

trading at 100-101 at the end

of the week while Seiyu Stores

was quoted at 100-101.

A decision on whether to

reopen the primary market is

expected this week when the

Sub-Committee on Capital Mar-

kets meets in Frankfurt.

Japanese convertibles did par-

ticularly well, helped by a ris-

ing Yen and even more impor-

tant, by the strong performance

of the Tokyo stock exchange.

The Sankyo convertible was

trading at 100-101 at the end

of the week while Seiyu Stores

was quoted at 100-101.

A decision on whether to

reopen the primary market is

expected this week when the

Sub-Committee on Capital Mar-

kets meets in Frankfurt.

Japanese convertibles did par-

ticularly well, helped by a ris-

ing Yen and even more impor-

tant, by the strong performance

of the Tokyo stock exchange.

The Sankyo convertible was

trading at 100-101 at the end

of the week while Seiyu Stores

was quoted at 100-101.

A decision on whether to

reopen the primary market is

expected this week when the

Sub-Committee on Capital Mar-

kets meets in Frankfurt.

Japanese convertibles did par-

ticularly well, helped by a ris-

ing Yen and even more impor-

tant, by the strong performance

of the Tokyo stock exchange.

The Sankyo convertible was

trading at 100-101 at the end

of the week while Seiyu Stores

was quoted at 100-101.

A decision on whether to

reopen the primary market is

expected this week when the

Sub-Committee on Capital Mar-

kets meets in Frankfurt.

Japanese convertibles did par-

ticularly well, helped by a ris-

ing Yen and even more impor-

tant, by the strong performance

of the Tokyo stock exchange.

The Sankyo convertible was

trading at 100-101 at the end

of the week while Seiyu Stores

was quoted at 100-101.

A decision on whether to

reopen the primary market is

expected this week when the

Sub-Committee on Capital Mar-

kets meets in Frankfurt.

Japanese convertibles did par-

ticularly well, helped by a ris-

ing Yen and even more impor-

tant, by the strong performance

of the Tokyo stock exchange.

The Sankyo convertible was

trading at 100-101 at the end

of the week while Seiyu Stores

was quoted at 100-101.

A decision on whether to

reopen the primary market is

expected this week when the

Sub-Committee on Capital Mar-

kets meets in Frankfurt.

Japanese convertibles did par-

ticularly well, helped by a ris-

ing Yen and even more impor-

tant, by the strong performance

of the Tokyo stock exchange.

The Sankyo convertible was

trading at 100-101 at the end

of the week while Seiyu Stores

was quoted at 100-101.

A decision on whether to

reopen the primary market is

expected this week when the

Sub-Committee on Capital Mar-

kets meets in Frankfurt.

Japanese convertibles did par-

ticularly well, helped by a ris-

ing Yen and even more impor-

tant, by the strong performance

of the Tokyo stock exchange.

The Sankyo convertible was

trading at 100-101 at the end

of the week while Seiyu Stores

was quoted at 100-101.

A decision on whether to

reopen the primary market is

expected this week when the

Sub-Committee on Capital Mar-

kets meets in Frankfurt.

Japanese convertibles did par-

ticularly well, helped by a ris-

ing Yen and even more impor-

tant, by the strong performance

of the Tokyo stock exchange.

The Sankyo convertible was

trading at 100-101 at the end

of the week while Seiyu Stores

was quoted at 100-101.

A decision on whether to

reopen the primary market is

expected this week when the

Sub-Committee on Capital Mar-

kets meets in Frankfurt.

Japanese convertibles did par-

ticularly well, helped by a ris-

ing Yen and even more impor-

tant, by the strong performance

of the Tokyo stock exchange.

The Sankyo convertible was

trading at 100-101 at the end

of the week while Seiyu Stores

was quoted at 100-101.

A decision on whether to

reopen the primary market is

expected this week when the

Sub-Committee on Capital Mar-

kets meets in Frankfurt.

Japanese convertibles did par-

ticularly well, helped by a ris-

ing Yen and even more impor-

tant, by the strong performance

of the Tokyo stock exchange.

The Sankyo convertible was

trading at 100-101 at the end

of the week while Seiyu Stores

was quoted at 100-101.

A decision on whether to

reopen the primary market is

expected this week when the

Sub-Committee on Capital Mar-

kets meets in Frankfurt.

Japanese convertibles did par-

ticularly well, helped by a ris-



FINANCIAL TIMES

Monday June 5 1978



FTI Monthly Survey of Business Opinion

Shortages of skills are growing, says industry

MANY INDUSTRIAL companies are now experiencing difficulties in recruiting staff over the next 12 months. The complaints range from management and senior executives to manual labour demand and the difficulty of finding people with suitable skills, the main factors influencing forward manpower planning.

Over half of the companies interviewed for the Financial Times business survey last month reported difficulties in recruiting factory staff with the effect of other recruiting skills and experience.

Coming at this stage of the recovery in the economy, these more certain of an upturn reports are worrying. The before taking on more labour survey shows that consumer demand is continuing to belief that inflation will start to improve. But the upturn is accelerating again in the All in all, the outlook is dominated by the slow recovery through to other industries.

The slow rate of recovery wage costs, total unit costs, and does not hold out much promise output prices remain fairly of an early reduction in the steady in the 10-12 per cent number of unemployed. Most firms interviewed for the sur-

Details, Page 28

EARNINGS ON CAPITAL

	4 monthly moving total					May 1978
	Feb.- May %	Jan.- Apr. %	Dec.- Mar. %	Nov.- Eng. %	Consumer Durables Stores %	
Improve	43	36	41	32	73	82
Remain the same	27	37	28	24	—	—
Contract	27	25	28	38	27	12
No comment	3	2	3	6	—	13

the rest of industry is much less sanguine about profits; and most sectors are less optimistic about maintaining the recent growth in export volume.

medium forecast increases for the approach of a general election.

The details, Page 28

Labour rebels demand veto on EEC decisions

BY RUPERT CORNWELL, LOBBY STAFF

LABOUR's powerful anti-EEC faction is stepping up pressure to make sure that the party's next election manifesto contains a commitment to ensure a Commons right to veto Brussels decisions affecting the UK.

This threat of yet more wrangling over Europe inside Labour ranks became clear at the weekend after a series of meetings culminating in that of the Safeguard Britain Campaign—highlighted by an appeal from Mr. Enoch Powell to voters to support only those candidates explicitly opposed to Community membership, whatever their party.

The Prime Minister will resist these demands, but even if he succeeds they are likely to crop up again when Labour tackles its separate manifesto for the first direct elections to the European Assembly.

Speculation about the forthcoming general election will overshadow the final phase of

manifesto could be awkward, however, since they stem from Mr. Callaghan's peace-making letter last autumn to the National Executive Committee, in which he promised a "neo-Gaullist" approach to the Community and eschewed federalism.

To put this into practice, the anti-marketeers are seeking the assurance of changes in the 1976 European Communities Act that would involve a fundamental weakening of Brussels' authority over Westminster, although they stop short of withdrawal.

The Prime Minister will resist these demands, but even if he succeeds they are likely to crop up again when Labour tackles its separate manifesto for the first direct elections to the European Assembly.

In the meantime the Prime Minister has the opportunity of two further by-elections at Penistone and Manchester Moss Side, to gauge public opinion.

Europe seats plan for Scotland

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE LABOUR PARTY could win as many as six of the eight European parliamentary seats in Scotland when direct elections are held next year.

The Boundary Commission's proposals for the new European constituencies were published yesterday. Those for England and Wales were announced two weeks ago.

Four European constituencies in the central industrial belt of Scotland, where more than half the electorate lives, are virtually

safe for Labour. They are Glasgow, where the party holds 11 of the 13 Westminster seats, East and West Strathclyde, and the Lothians, which includes Edinburgh.

In addition, Labour has a good chance of beating off the challenge of the Scottish National Party in Mid-Scotland and Fife, or taking South Scotland.

But the recent slump in SNP fortunes gives hope to the Tories here.

Mr. George Reid, SNP MP for Clackmannan and East Stirlingshire said yesterday that Scotland deserved more than eight European seats. Among EEC members with smaller populations, Denmark had 16 seats, Ireland 15 and Luxembourg six.

Mr. Russell Johnston, Liberal MP for Inverness, a prospective candidate for the European elections, said the proposals supported the Liberal assertion that Scotland should be one constituency returning eight members by proportional representation.

The Liberals hold three Westminster seats in Scotland, but are unlikely to win any European seats there. The average size of each Scottish European constituency is 473,000 voters.

Continued from Page 1

Oil funds challenge

estimates that by the end of 1977 sterling lending and about a third of the foreign currency available to oil companies is now down to less than 10 per cent. The report also notes the total of £1.75bn spent so far on front-end loading which holes in the bed of the UK is a feature of oil development of the North Sea. UK financing—a lot of money has to be spent before any income put up 37 per cent of total comes from the investment. Most of this money has come from the internal resources of Sea oil development the big companies, but the working back period from the outset will be eight years and the average length of time for which development funds will be at risk is about three years.

In the development of oil fields, the funds required are characteristic of the scale, the much larger and riskier nature of the exploration phase. The report estimates that the achievement of UK oil production by the end of 1977, with another £3.2bn needed "very substantial quantities by the end of the decade just for project finance can be raised existing fields. Another £2bn from banks provided they will be required for other receive some remuneration for their exposure to equity risk."

The working party was not able to establish which part of the working capital shortage of this was financed by British venture capital even though financial institutions. In August, "probability of success was low 1977, banks in the UK, including and there was a significant the U.S. banks, had outstanding chance of a total loss." North Sea development loans to It says that lending institutions the equivalent of £1.65bn of tions have not shown them which more than 60 per cent was to be looking only for a profit in foreign currencies. There quick profit but clearly have been additional firm commit ready to "earn their profit of another £700m. British by building a strong external banks accounted for half of the price over the longer term."

1974 General Election results show the remaining two seats: North of Scotland, which includes most of the Highland area and the islands, and North-East Scotland.

But the recent slump in SNP fortunes gives hope to the Tories here.

Mr. George Reid, SNP MP for Clackmannan and East Stirlingshire said yesterday that Scotland deserved more than eight European seats. Among EEC members with smaller populations, Denmark had 16 seats, Ireland 15 and Luxembourg six.

Mr. Russell Johnston, Liberal MP for Inverness, a prospective candidate for the European elections, said the proposals supported the Liberal assertion that Scotland should be one constituency returning eight members by proportional representation.

The Liberals hold three Westminster seats in Scotland, but are unlikely to win any European seats there. The average size of each Scottish European constituency is 473,000 voters.

Continued from Page 1

The working party finds that the working capital shortage of this was financed by British venture capital even though financial institutions. In August, "probability of success was low 1977, banks in the UK, including and there was a significant the U.S. banks, had outstanding chance of a total loss."

It says that lending institutions the equivalent of £1.65bn of tions have not shown them which more than 60 per cent was to be looking only for a profit in foreign currencies. There quick profit but clearly have been additional firm commit ready to "earn their profit of another £700m. British by building a strong external banks accounted for half of the price over the longer term."

Continued from Page 1

This would value the company at £671m and the British equity interest at £10.7m. It will be the largest direct stake in the

British aluminium industry had been "grateful to be able to go ahead with such a big project". The conversion and subsequent listing of the stock market in the natural consequence of the

Renault strikes challenge French incomes policy

BY DAVID CURRY

PARIS, June 4.

STRIKES AND sit-ins by workers at two of the Renault motor company's plants are threatening to turn into the first big challenge to the French Government's post-election incomes policy.

Renault has lost no time launching a counter-offensive against the strikers—a small minority of the work force at each factory.

It has broken off the current round of negotiations with unions on working conditions and careers structure and is closing the Flins plant where about 400 workers in the heavy press shop are on strike for the first three days of the week.

The closure—described by the company as a postponement of work by the unions as a lock-out—will affect 16,000 production workers at the factories.

The company is also seeking a court injunction ordering evacuation of strikers at the engine and gearbox factory at Cleon, near Rouen, for alleged interference with the right to work.

About 300 workers are occupying the plant which employs 8,000.

The strikers' main claims are for a minimum FFr 3,000 (£360) monthly salary, a 40-hour week with 35 hours for people on the more exacting jobs, a fifth week's annual paid holiday and retirement at 60. There are further demands relating to the conditions in each plant.

Renault is regarded as the weaver-cock of industrial relations in France with a militant tradition among the workforce.

The Government has no choice but to offer battle if it wishes to make its wages policy—to permit the bulk of wage-setters to keep abreast of the rise in the cost of living—stick.

The next few months will be a critical period for the Government's attempt to win acceptance of its economic strategy. Its policy of increasing public sector tariffs to reduce state subsidies and the restoration to two companies of industrial price freedom will result in sharp increases in the monthly cost of living index.

Turkish plans, Page 3

THE LEX COLUMN

Not such a saving at Equity Bank

An organisation with the title in the process of putting forward Equity Capital for Industry ward radical tax measures ought to be a little more precise in its remarks about equity finance. For what has emerged

total new issues of £150m of 16 per cent was accounted for by increases in equity.

But it is not going to be to turn the property and French bank sectors into investment. At present only 35 French individual shareholders receive less than seven in the U.S., or one in the UK. And a number of gross savings, investment has been reduced in recent years.

Other aspects of the French wider share ownership include staff associations, including quid pro quo companies to non-consultative accounts, are already doing so—and making more disclosure annual reports.

Company sector

Brexit, Phillips and Drax are a prime example of a better manner in which the latest company sector financial forecasts have been received.

For although they are providing a sharp widening of the industrial and commercial company sector deficit from 1974 to £5.5bn in 1975, real terms, this does not compare with a 24.6bn deficit of 1974 which now immediately connects investors minds with the disastrous bear market.

So long as ECI confines its attention to situations where conventional rights issues are difficult, there will be no conflicts of interest. Controlling families may not be able to put up new money for instance. But it would be unfortunate if ECI were to encourage management in the notion that it offers a cheaper alternative when the conventional rights issue route is open to a company—especially as to an ever increasing extent ECI's own shareholders are likely to be important shareholders in the company.

French shares

For years the British private investor has been running down his equity portfolio. His logic cannot be faulted in the face of profit controls on companies, restrictions on the growth of dividends, and substantial tax incentives directing savers towards the institutions. But it would be unfortunate if ECI were to introduce a new period of five years for preference shares the deduction period runs to ten years.

At the same time, however, the French Government is taking an opportunity to revise its earlier Capital Gains Tax proposals for share dealing, to be introduced in 1979. Under

the new rules, the extent of taxation will only be about two-and-a-half times as large as the 1974 deficit in relation to money-gross domestic product. So while there are implications for credit demand, estimated to rise from £1.6bn in each of the years 1977 and 1978 to £2.7bn in 1979, in relative terms this is not a great problem.

These highly appealing incentives come as part of a major French Government effort to reshape the country's industrial balance sheet, where the ratio of debt to equity capital is now thought to be like this. Even now, it does not seem possible to make numbers more relevant to the non-UK company sector.

The point is that such has been the extent of inflation

in the past few years that a deficit of this projected size in 1979 would only be about two-and-a-half times as large as the 1974 deficit in relation to money-gross domestic product.

So while there are implications for credit demand, estimated to rise from £1.6bn in each of the years 1977 and 1978 to £2.7bn in 1979, in relative terms this is not a great problem.

These highly appealing incentives come as part of a major French Government effort to reshape the country's industrial balance sheet, where the ratio of debt to equity capital is now thought to be like this. Even now, it does not seem possible to make numbers more relevant to the non-UK company sector.

The point is that such has been the extent of inflation

in the past few years that a deficit of this projected size in 1979 would only be about two-and-a-half times as large as the 1974 deficit in relation to money-gross domestic product.

So while there are implications for credit demand, estimated to rise from £1.6bn in each of the years 1977 and 1978 to £2.7bn in 1979, in relative terms this is not a great problem.

These highly appealing incentives come as part of a major French Government effort to reshape the country's industrial balance sheet, where the ratio of debt to equity capital is now thought to be like this. Even now, it does not seem possible to make numbers more relevant to the non-UK company sector.

The point is that such has been the extent of inflation

in the past few years that a deficit of this projected size in 1979 would only be about two-and-a-half times as large as the 1974 deficit in relation to money-gross domestic product.

So while there are implications for credit demand, estimated to rise from £1.6bn in each of the years 1977 and 1978 to £2.7bn in 1979, in relative terms this is not a great problem.

These highly appealing incentives come as part of a major French Government effort to reshape the country's industrial balance sheet, where the ratio of debt to equity capital is now thought to be like this. Even now, it does not seem possible to make numbers more relevant to the non-UK company sector.

The point is that such has been the extent of inflation

in the past few years that a deficit of this projected size in 1979 would only be about two-and-a-half times as large as the 1974 deficit in relation to money-gross domestic product.

So while there are implications for credit demand, estimated to rise from £1.6bn in each of the years 1977 and 1978 to £2.7bn in 1979, in relative terms this is not a great problem.

These highly appealing incentives come as part of a major French Government effort to reshape the country's industrial balance sheet, where the ratio of debt to equity capital is now thought to be like this. Even now, it does not seem possible to make numbers more relevant to the non-UK company sector.

The point is that such has been the extent of inflation

in the past few years that a deficit of this projected size in 1979 would only be about two-and-a-half times as large as the 1974 deficit in relation to money-gross domestic product.

So while there are implications for credit demand, estimated to rise from £1.6bn in each of the years 1977 and 1978 to £2.7bn in 1979, in relative terms this is not a great problem.

These highly appealing incentives come as part of a major French Government effort to reshape the country's industrial balance sheet, where the ratio of debt to equity capital is now thought to be like this. Even now,